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DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1983

SEPTEMBER 23 (legislative day, SEPTEMBER 8), 1982.—Ordered to be printed

Mr. STEVENS, from the Committee on Appropriations, submitted the following

REPORT

[To accompany S. 2951]

The Committee on Appropriations reports the bill (S. 2951) making appropriations for the Department of Defense for the fiscal year ending September 30, 1983, and for other purposes, and submits the following explanation of its recommendations. Information is herewith presented relative to the changes made:

Total of bill as reported to Senate (new obligational authority)	$233,403,105,000
Amount of 1983 budget estimate (new obligational authority)	245,498,336,000
Amount of 1982 appropriations	205,317,638,000
The bill as reported to the Senate:	
Below the fiscal year 1983 budget estimate	12,095,231,000
Over appropriations for fiscal year 1982	28,085,467,000

S183-13

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BACKGROUND

PURPOSE OF THE BILL

The purpose of this bill is to make appropriations for the military functions of the Department of Defense for the period October 1, 1982 through September 30, 1983. Functional areas include the pay, allowances and support of military personnel, operation and maintenance of the forces, procurement of equipment and systems, and research, development, test and evaluation. Appropriations for military assistance, military construction, family housing and civil defense are provided in other bills.

HEARINGS

The Subcommittee on Department of Defense Appropriations began hearings on the fiscal year 1983 budget request on March 2, 1982, and concluded them on June 24, 1982, after 24 separate sessions. The subcommittee heard testimony from representatives of the Department of Defense, other Federal agencies, and from the general public. Approximately 6,000 pages of transcript were taken, the unclassified portions of which constitute the four-volume public record of testimony on this budget request.

SUMMARY OF BILL

The Committee considered a total fiscal year 1982 budget request of $245,498,336,000 for the military functions of the Department of Defense, excluding military assistance, military construction, family housing and civil defense. The following table displays the major recommendations:

	Fiscal year 1982 enacted	Fiscal year 1983 request	House allowance	Committee recommendation
Title I—Military personnel	$42,737,017,000	$44,895,500,000		$43,910,320,000
Title II—Retired military personnel	14,986,000,000	16,510,800,000		16,228,800,000
Title III—Operation and maintenance	62,646,310,000	70,191,122,000		67,363,622,000
(Transfer from other accounts)	(218,626,000)			
Title IV—Procurement	64,987,785,000	89,493,114,000		82,821,179,000
(Transfer from other accounts)	(206,000,000)			(345,900,000)
Title V—Research, development, test, and evaluation	19,859,148,000	24,312,700,000		22,876,984,000
Title VI—Special foreign currency program	3,083,000	3,800,000		3,800,000

	Fiscal year 1982 enacted	Fiscal year 1983 request	House allowance	Committee recommendation
Title VII—General provisions (additional transfer authority, sec. 733)	($750,000,000)	($1,000,000,000)		($800,000,000)
Title VIII—Related agencies	98,295,000	91,300,000		106,700,000
Total, Department of Defense (NOA)	205,317,638,000	245,498,336,000		233,211,405,000
(Transfer from other accounts)	(426,626,000)			(345,900,000)
Total funding available	205,744,264,000	245,498,336,000		233,557,305,000
(Transfer authority)	(750,000,000)	(1,000,000,000)		(800,000,000)
Distribution by organizational component:				
Army	51,332,422,000	58,473,887,000		54,739,253,000
(Transfer from other accounts)	(23,500,000)			(140,900,000)
Navy	67,771,738,000	85,903,755,000		80,905,159,000
(Transfer from other accounts)	(236,900,000)			(35,000,000)
Air Force	63,479,054,000	75,226,200,000		72,187,126,000
(Transfer from other accounts)	(166,226,000)			(170,000,000)
Defense agencies/OSD	7,650,129,000	9,292,394,000		9,044,367,000
Retired military personnel	14,986,000,000	16,510,800,000		16,228,800,000
Related agencies	98,295,000	91,300,000		106,700,000
Total, Department of Defense (NOA)	205,317,638,000	245,498,336,000		233,211,405,000
(Transfer from other accounts)	(426,626,000)			(345,900,000)
Total funding available	205,744,264,000	245,498,336,000		233,557,305,000
(Transfer authority)	(750,000,000)	(1,000,000,000)		(800,000,000)

BILL HIGHLIGHTS

The Committee was faced with conflicting but urgent requirements to reduce defense meeting on the one hand to meet congressional budget targets and to support the continuing need on the other hand to expand and modernize the armed services and strengthen the Nation's defense capabilities. With few exceptions, the Committee believes it has attained both difficult goals. Recommended funding levels in the accompanying bill have hit the targeted spending limits and significant modernization and readiness initiatives established by the President have been supported.

Military manpower.—Taking the lead established by Congress with the defense authorization bill, the Committee has recommended ending the steady growth of military manpower. It has accepted authorized reductions and manpower savings offered by the Department of Defense to effect a 65,600 troop reduction below the President's budget levels, holding Armed Forces personnel at or slightly below the 1981 end strengths. Accompanying this savings initiative are separate instructions to halt the steady increase in U.S. forces stationed in Europe, leveling the commitment at the level maintained in 1980, itself a substantial expansion of the NATO contribution generally accepted by the Congress in the 1970's. These recommendations and others developing total savings of $1,100,000,000 are discussed in detail in the title I section of the report.

Readiness.—Efforts begun last year to strengthen the readiness of the Armed Forces are continued in fiscal year 1983 with a recommended funding increase of $4,700,000,000 for operations and maintenance, up 7½ percent. Concurrently, the Committee has recommended substantial savings in the budget estimates of more than $2,800,000,000. Favorable fuel prices, declining inflation, and the growing strength of the dollar abroad made it possible for the Committee to claim substantial savings without any detrimental program impact.

Modernization.—Although it has recommended a dramatic increase in the Nation's investment in weapons systems and military equipment, the Committee has still managed to achieve nearly $6,500,000,000 in budget authority reductions from budgeted procurement levels. Immediately outlay savings will be relatively slight—less than $1,000,000,000 in fiscal year 1983—but substantial spending cutbacks will be achieved in future spendout rates.

Major acquisitions financed under the Committee recommendations include:

—Construction of two nuclear-powered aircraft carriers, with a front-end investment of nearly $6,800,000,000.

—Five new guided missile cruisers and frigates and three more nuclear submarines costing more than $6,200,000,000.

—Expanded production of the Army's new advanced attack helicopter and continuing acquisition and fielding of the modern M–1 battle tank.

—Increased procurement of strategic and tactical aircraft, including the start of military airlift expansion, an investment growth of $5,700,000,000 over fiscal year 1982.

Full authorized funding of $1,500,000,000 for the M–X intercontinental ballistic missile system and for the intra-theater Pershing II missile.

Research and development.—Carefully developed reductions, designed to restrain, but not halt, program growth have been recommended for research and development. This is an activity the Committee regards as a critical investment in future national security, and required spending cutbacks have been allocated to minimize program impact. Some $1,400,000,000 in budget authority reductions will develop $860,000,000 in outlay savings during fiscal year 1983, but real program growth of 9 percent has been preserved. Key programs, including ballistic missile defenses, advanced tactical ships and aircraft, and space technology have been funded at the full authorization. Continued development of the M–X strategic missile and its basing requirements are provided $2,400,000,000, and $200,000,000 has been added to accelerate development of the C–17 new generation airlifter.

Timing of the Bill

Again this year, the Committee has been compelled to report a defense appropriations bill in advance of customary lead action by the House of Representatives. A combination of circumstances, not the least of which was protracted congressional action on the fiscal year 1983

budget resolution, served to delay the House Appropriations Committee markup schedule. With the approach of the new fiscal year in October 1, 1982, the Committee elected to mark up and report an original Senate bill to speed the appropriations process and, to the extent necessary, to establish a basis for congressional funding levels should a continuing resolution be required for spending authorization in the early weeks of fiscal year 1983.

It is not the Committee's intent to overturn the traditions of Congress that have established the House as the normal originating body for appropriations measures. Nor is it the Committee's desire to reverse the roles of the two houses in continuing action on the fiscal 1983 defense bill.

Specific procedures have not been developed and the exact sequence of action on appropriations bills remains uncertain at this writing. However, the Committee would expect that, at some juncture, the provisions of the Senate bill, where they might differ with those of a House-passed bill, would be incorporated as Senate amendments to the House measure. This is what occurred last year and the Committee sees no reason why the process cannot be adopted at some point in the enactment of the 1983 bill.

Relationship to Authorization

Appropriations for the procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and equipment, operations and maintenance expenses, and for research, development test and evaluation require annual authorization pursuant to the provisions of section 412(b) of Public Law 86–149, as amended.

As previously noted, the total fiscal year 1982 budget request considered by the Committee was $245,211,405,000. Of this amount, $184,000,736,000 or 75 percent, required authorization. The following table depicts these amounts and compares them with levels authorized in the Department of Defense Appropriation Authorization Act, 1983.

[In thousands of dollars]

	Budget estimate	Authorization	Change
Procurement	89,493,114	86,392,600	-3,100,514
R.D.T. & E	24,312,700	23,044,069	-1,268,631
Operations and maintenance	70,191,122	69,076,161	-1,114,961
Special foreign currency program	3,800	3,800	
Total	184,000,736	178,516,630	-5,484,106

Compliance With Section 308 of the Budget Control Act

Section 308(a) of the Budget Control Act (Public Law 93–344) requires that this Committee include in its report specific budgetary information on the status of recommended appropriations relative to the first concurrent resolution. The following table provides these data:

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1983: Subcommittee on Defense...	238,500	233,403	201,300	[1] 200,311
Projections of outlays associated with budget authority recommended in the bill:				
1983				[2] 137,395
1984				49,690
1985				24,368
1986				8,795
1987 and future year				13,155
Financial assistance to State and local governments for 1983 in the bill				

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

CONGRESSIONAL BUDGET TARGETS

The Committee has honored the specific spending targets established through the congressional budget process and allocated to the Defense Subcommittee through section 302(b)b procedures. These allocations by the Committee are detailed in Senate Report 97-511.

Total budget authority recommended in the bill, $233,400,000,000, is well within the allocated ceiling, even considering all known future requirements for the balance of the fiscal year. Total outlays projected from that budget authority level, however, are hard against the Committee's defense ceiling when supplemental appropriation needs are included. The reported bill itself carries an estimated $200,000,000,000 in outlays. Future funding requirements, even reduced to reflect the defense allocation of $1,200,000,000 in pay cost absorption, are now estimated at $1,300,000,000. Clearly, there is no fiscal room to spare. Any unforeseen requirements would jeopardize the outlay limitations and require adjustments either in the current spending targets or in the program funding established by the accompanying bill.

As part of its total outlay reductions, the Committee has claimed an unanticipated 1983 savings that stems from revised fuel purchases. As a result of economic developments in Mexico, fuel purchases were accelerated in 1982, using cash resources of the revolving industrial funds. These unprogramed purchases served the dual purpose of extending cash assistance to Mexico and capitalizing on favorable petroleum prices. The outlay impact was simply to shift programed spending from 1983 to 1982 fiscal years. This 1983 reduction does not register on Congressional Budget Office outlays analyses which are keyed to spend-out rates of the various budget authority lines in the accompanying bill and not to revolving fund obligations.

Reprograming of Appropriated Funds

In its report on the fiscal year 1974 Defense appropriations bill (S. Rept. 93–622), the Committee directed the Department of Defense to utilize the available reprograming flexibility in order to meet unanticipated or higher than programed funding requirements. For fiscal year 1983, the Committee considered 73 reprogramings with a total dollar value of $1,647.7 million. Fifty-one of these reprogramings were approved by the Congress either in whole or in part. The total amount approved was $1,157,400,000. A statistical summary of these reprograming actions during the last decade is shown below:

Fiscal Year Budget Amendment

Since submission of the fiscal year 1983 budget in February 1982 by President Reagan, the administration has transmitted one budget amendment to the Congress. This amendment was submitted on June 30, 1982 (printed as House Document 97–206), and requested an additional $22,000,000 in outlays in 1983 to provide additional funds for a classified activity in the Department of Defense.

DEPARTMENT OF DEFENSE REPROGRAMINGS

[Dollars in millions]

	Number of actions	Value of program increase proposals
Fiscal year:		
1971	132	3,266
1972	82	1,866
1973	56	1,453
1974	24	219
1975	45	1,446
1976 (and transition quarter)	43	791
1977	55	1,036
1978	66	1,237
1979	60	1,163
1980	71	1,217
1981	50	937
1982	73	1,648

Multiyear Procurement

In the fiscal year 1982 Defense Appropriations report, the Committee urged the Department of Defense to undertake steps to combat waste, fraud, and abuse within the Department as well as to undertake efforts to increase efficiency within Department programs. The Congress also provided the Department of Defense with the necessary legislation to use multiyear procurement where appropriate as one means of reducing acquisition costs.

The Committee has recommended several more multiyear procurement starts in the accompanying bill and will continue to extend favor-

able consideration to this approach when fully justified. Clearly, the cost benefits derived from program stability and economic procurement volumes far outweigh accompanying drawbacks of incremental funding. The Department is encouraged to review all stable procurement programs that involve little or no technical risk and to determine if multiyear contracting offers attractive cost advantages. Multiyear procurement candidates should be submitted to the Committee in time for full consideration in its fiscal year 1984 budget hearings.

However, the Committee fully shares the concerns expressed in the House Armed Services Committee report on the 1983 Defense authorization bill that the Department's projected cost savings from multiyear procurement are not materializing. The wisdom of some Navy aircraft multiyear contracting initiatives is questionable, and this indicates congressional insistence on careful restraint and cost reviews is being disregarded.

It is essential that all multiyear procurement candidates be thoroughly analyzed and costed, then soundly justified, before they are proposed to Congress. To avoid confusion, uniform procedures should be promulgated by the Department, as well as the method and system for developing estimates and projected cost savings. The Department is encouraged to use a discounting method for estimating savings as outlined in OMB Circular A–94.

During its review of the budget, the Committee discovered numerous acquisition proposals whose procurement strategy included the use of multiyear contracting. Yet, none carried any indication of this intent in any of the budget documents submitted to Congress. This leads the Committee to suspect the existence of other multiyear contracting proposals, many of which may not qualify under the criteria established last year.

The Committee directs the Department to annotate appropriate procurement displays, particularly the P–1 document, to indicate clearly where multiyear procurement is planned or proposed. This requirement, effective with the fiscal year 1984 budget submission, does not alter the separate requirement to justify in detail all multiyear procurement initiatives for major weapon systems. Further, the Department must justify to the Committee all multiyear contracting initiatives in advance of contract obligation to a funding or liability level to be determined by the Committee.

To avoid abuses of the multiyear contracting alternative, the Department should take immediate steps to insure that no newly developed system is moved into initial production under a multiyear contract. The multiyear approach must be reserved for established production operations and low-risk, state-of-the-art technology.

Rapid Deployment Force

On the basis of its hearings and detailed review of the Department's plans for developing a rapid deployment force, the Committee is recommending against the establishment of a new unified command structure limited entirely to military missions in Southwest Asia. A pro-

hibition included in the general provisions of the bill prevents the use of any funds for this proposed command pending much more detailed congressional review of the purposes and directions of the rapid deployment force. It is the Committee's intent the Rapid Deployment Joint Task Force (RDJTF) should continue in the interim and not evolve to a unified command in January as presently planned. Funds related to the unified command status have been deleted from the operating accounts.

During its hearings, the Committee never obtained a satisfactory explanation of why the RDJTF was being rescoped from a global strike force to a Persian Gulf command. Nor was it clear why an additional 1,000 personnel headed by an array of generals would be required for this more limited mission; nor why the U.S. Readiness Command, the former parent organization of the RDJTF, was also budgeting for funding increases and expansion.

Among the issues the Committee believes should be addressed by Congress is the need for the United States to assume the major burden of protecting Western interests in the Mideast oil fields. Our European and Japanese allies, who have a far greater dependence and thus a far greater stake in the stability of Southwest Asia, should be expected to assume an appropriate responsibility for the military defense of the region, in the Committee's judgment.

If Congress should agree on the present strategy, however, the Committee must still question why yet another military bureaucracy must be created to manage the forces that would be required for rapid deployment in Southwest Asia. Alternative command structures should be fully explored and the funding requirements agreed to in advance by Congress before any new organization is created.

This deferral should not in any way impair the continued operations and capabilities of the RDJTF.

Budget Justifications

The Committee is disturbed over the continuing inadequacy of the documentation it requires in support of the President's budget estimates. Too much of this justification material has evolved into "boiler plate" with no accompanying up-to-date and relevant information to support program funding requests. In some cases, budget estimates involving more than $1,000,000,000 in new budget authority are dismissed with a few typewritten lines and little or no allocation of the estimates by program and activity.

The lack of information supplied with the budget complicates the Committee's responsibility for reviewing the budget estimates and makes it much more difficult to prepare for the extensive budget hearings that must be conducted. Information missing from the budget justifications must be separately requested by the Committee staff and separately provided by the Department and the services.

This situation is neither necessary nor defensible. Accordingly, the Committee will expect the Department, in consultation with the Committees on Appropriations of the House and Senate, to develop a more

responsive set of supporting documents for the President's budget and to be in position to submit them in conjunction with the fiscal year 1984 budget.

Budget liaison.—In a related matter, the Committee is also concerned over continuing efforts to meld the budget liaison operations of the Department and the services into the congressional relations activities. The Committee requires an available, responsive liaison organization capable of dealing with budget-related issues, with the authority to respond directly and promptly with factual information required by the Committee.

The Committee directs that the budget liaison structure be returned to a status independent from legislative liaison influence and control and given the authority and manpower to respond directly to the Committee's factual information requirements.

Military Pay Costs

Funding the cost of annual military pay raises in the regular appropriation bill, instead of awaiting a supplemental measure, was first recommended by the Committee last year and approved by the Senate. The pay raise allowance was later dropped in conference with the House and the Committee is compelled to observe that the military payroll crises generated by the recent stalemate on the fiscal year 1982 supplemental appropriation bill—and the Department's machinations that stretched legal bounds to meet payrolls—would not have occurred had the Senate's position been sustained. The Committee continues to believe sound fiscal management requires the timely appropriation of all pay costs when they are known and authorized. This approach should also be considered for Government-side civilian costs as well.

In view of the incomplete status of congressional appropriations, however, the Committee was unable to include all pay costs in this bill. Such inclusion would have required the Committee to allocate the programmatic impact of the $1,200,000,000 pay cost absorption requirement allocated to the Defense Subcommittee under the congressional budget process. This omission will again require the passage of a supplemental appropriations bill in the succeeding session of Congress, at which time the Committee will allocate the pay cost absorption impact, if such action is still required. Meanwhile, the Committee continues to hope that timely enactment of known pay increase cost funding will be adopted as a continuing policy in the near future, eliminating the need for disruptive supplemental funding.

TITLE I

MILITARY PERSONNEL

Funds appropriated under this title provide for the pay, allowances, subsistence, permanent change of station travel, and various other entitlements of the uniformed members of our Armed Forces. The level of active duty military personnel requested in the President's fiscal year 1983 budget is 37,600 above the authorized end strength for fiscal year 1982, while the average strength of the Reserve components requested by the administration is 62,300 above the fiscal year 1982 level.

Pay and allowances.—A total of $34,600,000,000 is requested for the pay and other entitlements of active duty officers, enlisted personnel and cadets at the military academies. This includes basic pay, special and incentive pays, quarters, uniform and subsistence—except in the case of enlisted personnel—allowances, separation allowances, the U.S. Government's contribution to the social security fund and other applicable allowances. This function also includes enlistment and reenlistment bonuses in the case of enlisted personnel.

Subsistence of enlisted personnel.—This activity reflects the cost of feeding enlisted personnel, either for food served in dining halls—subsistence-in-kind—or in the form of cash allowances for those members authorized to subsist elsewhere. A total of $2,500,000,000 is requested for this activity in fiscal year 1983.

Permanent change of station travel (PCS).—The $3,100,000,000 requested for this activity in fiscal year 1983 supports the rotation of military personnel between permanent duty stations. It covers the cost of travel of the member and his dependents, either by commercial or organic means, per diem allowances at prescribed rates, transportation and nontemporary storage of household goods, and other related costs.

Other military personnel costs.—The $15,200,000 requested for this activity provides funds for the apprehension of military deserters, absentees, and escaped military prisoners; and for the payment of death gratuities to beneficiaries of deceased military personnel.

Guard and Reserve paid drill and initial training.—The $2,900,000,000 requested for this activity includes the costs of the Selected Reserve, members of which attend prescribed numbers of inactive duty training assemblies, ranging from 24 to 48 drill periods per year, as well as 2 weeks active duty for training annually.

Other training and support.—This activity, budgeted at $1,700,000,000, supports school and special training for Reservists, administration and support of Guard and Reserve units, and the costs of those members of the individual Ready Reserve who perform only 2 weeks active duty for training each year. This activity also includes the costs to support per-

sonnel undergoing training through the Reserve Officers Training Corps and the health professions scholarship program to become commissioned officers of the Armed Forces.

The following tables display major elements of the fiscal year 1983 request for military personnel. The functions and activities for which appropriations are made are described briefly below.

MILITARY PERSONNEL FISCAL YEAR 1983 BUDGET REQUEST

[In thousands of dollars]

	Fiscal year—		
	1982 actual	1983 estimate	1983 recommended
Requested funding by service component:			
Army	13,978,100	14,401,100	14,023,827
Navy	10,248,574	10,578,900	10,230,678
Marine Corps	3,120,745	3,276,100	3,221,394
Air Force	11,508,772	12,031,400	11,748,221
Army Reserve	1,078,200	1,224,800	1,224,800
Navy Reserve	375,000	641,300	641,300
Marine Corps Reserve	153,600	165,900	165,900
Air Force Reserve	328,126	350,900	350,900
Army National Guard	1,466,000	1,680,500	1,669,200
Air National Guard	479,900	544,600	534,100
Total budget request	42,737,017	44,895,500	43,810,320

MILITARY STRENGTH

	Fiscal year—		
	1982 actual	1983 estimate	1983 recommended
Active Forces (in end strength):			
Army	782,500	783,800	777,700
Navy	554,600	569,200	560,300
Marine Corps	192,100	194,600	194,600
Air Force	580,800	600,000	592,600
Total Active Forces	2,110,000	2,147,600	2,125,200
Guard and Reserve (in average strength):			
Army Reserve	235,300	258,700	258,700
Navy Reserve	87,600	105,500	105,500
Marine Corps Reserve	37,600	38,300	38,300
Air Force Reserve	62,800	66,000	66,000
Army National Guard	392,800	407,400	407,400
Air National Guard	98,600	101,100	101,100
Total Guard and Reserve	914,700	977,000	977,000

Summary of Committee Action

The Committee is recommending a total of $43,810,320,000 in appropriations for Active and Reserve personnel costs in fiscal year 1983. This amount is $1,085,180,000 below the budget request. Explanation of the Committee's actions can be found in the following pages.

Military Strength Adjustments

For the Active Forces, military manpower is authorized each year in terms of end strength, while for the Reserve components the annual authorization is in terms of average strength. The fiscal year 1983 Defense Authorization Act increased the authorization of the Active Forces by 20,000, over the fiscal year 1982 level, and raised the average strength of the reserve forces by 62,300. The table below summarizes the adjustments in the fiscal year 1983 authorization to the Services manpower requests:

AUTHORIZED MILITARY STRENGTHS FOR FISCAL YEAR 1983

	Budget request	Authorization conference report	Change from budget
Active Forces:			
Army	783,800	782,500	-1,300
Navy	569,200	560,300	-8,900
Marine Corps	194,600	194,600	
Air Force	600,000	592,600	-7,400
Subtotal	2,147,600	2,130,000	-17,600
Reserve Forces:			
Army Reserve	258,700	258,700	
Navy Reserve	105,500	105,500	
Marine Corps Reserve	38,300	38,300	
Air Force Reserve	66,000	66,000	
Army National Guard	407,400	407,400	
Air National Guard	101,100	101,100	
Subtotal	977,000	977,000	

The military personnel budget requests are determined primarily by the average strength, or man-year programs, which the services estimate as required to meet their end strength goals. The end strength goal, however, does not automatically dictate a specific man-year program. Estimates for accession planning, attrition and retirements, for example, must be considered in establishing the total man-year program necessary to meet the authorized end strength.

MILITARY FORCES

The Committee recommends appropriations totaling $39,224,120,000 for the Active Forces and $4,586,200,000 for the Reserve Forces. This is $1,063,380,000 and $21,800,000 below the respective budget requests.

MILITARY MANPOWER AND PAY ADJUSTMENTS

The Department of Defense offered reductions to the military personnel accounts totaling $564,000,000 in budget authority in order to achieve outlay savings of $541,000,000. Specifically, the end strengths of the Army, Navy, and Air Force were decreased 6,100, 5,000, and 5,000 respectively from their budgeted strength. The Committee recommends accepting this Department offer and further reduces the end strength of the Navy and Air Force by 3,900 and 2,400 to reflect the respective fiscal year 1983 authorization levels. Altogether, these force reductions achieve $220,400,000 in savings.

The Department likewise offered to maintain Army Reserve and National Guard full-time manning at fiscal year 1982 levels and to increase Reserve paid drill strength by 700 and Guard strength by 10,000. Both would have increased at higher rates, 14,700 and 16,000, respectively. The Committee recommends against accepting these offers and the $140,000,000 which would have been saved in budget authority. The Committee urges continued Guard and Reserve strength growth as sound fiscal and defense policy.

EUROPEAN TROOP STRENGTH

The Committee is greatly disturbed that the U.S. commitment to European security in terms of force levels and defense expenditures continues to escalate while our NATO allies' share of defense steadily declines. Indeed, U.S. troop strength in Europe is projected to increase 18,900 over fiscal year 1980 levels and the total cost of our NATO commitment will reach $133,000,000,000, more than half the total Defense budget. And while U.S. defense spending consumes more than 6 percent of the GNP, the ratios of all but one European NATO ally have not consistently achieved 3 percent.

Accordingly, the Committee directs the Department of Defense to hold NATO military end strength to the fiscal year 1980 level. As part of this action, the Army is directed to deactivate the 3d Brigade, 1st Cavalry Division, by January 1, 1983. This saves $42,000,000 in addition to the aforementioned $220,400,000 and carries out the intent of Congress last year in action on the fiscal year 1982 bill.

ALLOWANCES AND BONUSES

Career basic allowance for subsistence (BAS).—The Committee recommended initiating this program last year at a cost of $36,000,000 because it was intended to increase retention of career enlisted personnel. The fiscal year 1983 cost, however, has risen to $55,300,000 at the same time that retention among all services is at an all time high. Accordingly, the Committee views this program as an unnecessary complement

to the higher pay and allowances enlisted military members now receive.

Permanent change of station (PCS) mileage allowance.—The Committee again denies a higher-mileage allowance requested for both service personnel and their dependents. The Department requested $47,000,000 to raise member mileage from 13 to 16 cents and $39,000,000 to raise dependent mileage for those under age 12 from 3½ to 7 cents and for those over age 12 from 7 to 10 cents. The Committee is not convinced that the request for increased mileage reimbursement is justified since DOD data indicate that 10 cents represents total operating costs. The remaining 6 cents represents ownership costs such as depreciation, licensing, and taxes which should not be at Government expense.

PCS household goods weight allowance.—The budget estimate would increase the household goods weight allowance for senior enlisted and all officer ranks. The increases would average 2,000 pounds for enlisted personnel. Officer increases would range from 500 to 2,500 pounds. The Committee recommends against this program since current maximum weight allowances appear adequate and reasonable.

PCS temporary lodging expense.—This new program would permit member reimbursement of up to $110 per day for a maximum of 4 days while undergoing a permanent change of station move. Reimbursement is intended to defray costs of relocating, such as meals, lodging, groceries, laundry, and cleaning. The Committee again denies this $123,000,000 program as being unnecessary at this time. This will have no impact on current service members' pay and allowances.

PCS rotational and operational moves.—The Committee recommends a $230,000,000 reduction based on Department assumptions that overseas tour lengths will be extended voluntarily by members and that improved career retention will reduce the number of necessary moves.

Enlistment bonuses.—The Committee recommends a reduction of $2,900,000 to maintain the maximum enlistment bonus level at $5,000. While the Uniformed Services Pay and Benefits Act of 1981 increased the maximum award to $8,000, recent recruiting success among all services militates against the higher bonus level. However, funding to implement the Army's test program of $8,000 bonuses has not been reduced. The Committee also recommends a $20,000,000 decrease in enlistment bonus funding. Funding for active force bonuses has increased over 150 percent since fiscal year 1981, from $69,000,000 to $175,000,000 for this year.

Reenlistment bonuses.—The Committee again denies institution of the selective reenlistment bonus extension plan whereby an individual may include training time and other extensions in the calculation of a bonus award. This allows a savings of $38,000,000. Likewise, the Committee believes the 62-percent growth in selective reenlistment bonuses since fiscal year 1981 is excessive. Retention rates for all services are on a steady incline and pay and allowances of enlisted personnel have continued to grow. Accordingly, the Committee further reduces the $589,000,000 request by $100,000,000.

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Lump sum terminal leave.—Higher retention rates among all services permit a $13,280,000 reduction to this $266,000,000 account since fewer personnel than projected are expected to terminate military service.

NATIONAL GUARD AND RESERVE FORCES

Conversion of civilian technicians.—The Department plans to convert 600 Air and 600 Army National Guard technicians to full-time military positions in fiscal year 1983 at a cost of $21,800,000. The cost effectiveness of any additional conversions, however, is questionable in light of the increased pay and allowances military members now receive. Accordingly, the Committee directs the Department to make no further conversions, and the National Guard accounts are reduced $21,800,000. The Department is further directed to increase the civilian manpower ceilings of the Army and Air National Guard to accommodate the requisite personnel.

National Guard full-time support personnel.—House Report 95–1398, July 27, 1978, on the fiscal year 1979 Defense appropriation bill under the heading, "Full-Time Personnel Support for Reserve Components," stated, "The Committee would expect the Army National Guard to fill these vacancies with full-time military personnel on duty under 32 U.S.C. 502(f)." The Army has recently concluded that 32 U.S.C. 502(f) may be construed to provide authority to order National Guard personnel to active duty; that is, full-time duty in the active military service of the United States. The intent of Congress was and is that National Guard personnel serving in the full-time manning program now included in a Department of Defense program called Active Guard and Reserve (AGR), serve under 32 U.S.C. 502(f) in conventional National Guard status; that is, under State control as opposed to service in the active military service of the United States in Reserves of the Army or Reserves of the Air Force status.

Emphasis on Guard and Reserve forces.—As previously noted, the Committee has reduced active end strength growth in order to achieve outlay savings. It has not accepted, however, various reductions to Reserve and Guard accounts offered by the Department. On the contrary, the Committee urges continued growth in these forces and has increased the operation and maintenance and procurement items necessary to facilitate this growth. The Committee is convinced that by augmenting the strength and capabilities of the Guard and Reserve forces, the military readiness of the Armed Forces can be maintained at a lower cost with no degradation to combat effectiveness.

Reserve components study.—Based on various General Accounting Office studies, the Committee is persuaded that for less cost the Reserve components can perform certain missions as well as, or better than, Active Force counterparts. Accordingly, the Committee directs the Department to convene a panel of experts who are not Government officers to report to the Congress by July 1, 1983, how Reserve and Guard forces can best be used in order to achieve our national defense objectives. The panel shall assess various mission categories to determine if the present division of responsibilities achieves the goals of the

total force concept. In comparing various options, the panel shall establish and use a common standard of defense, rather than continue the use of separate standards for Active and Reserve Forces. Recommendations shall be supported by a benefit-cost analysis.

MILITARY PERSONNEL, ARMY

1982 appropriation	$13,978,100,000
1983 budget estimate	14,401,100,000
Committee recommendation	14,023,827,000

The Committee recommends an appropriation of $14,023,827,000 for fiscal year 1983. This is $377,273,000 below the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Basic pay	9,390,423	9,266,823
Basic allowance for quarters	1,079,240	1,079,240
Subsistence	1,080,799	1,075,591
Incentive, hazardous duty, aviation pay	86,442	86,442
Physician pay	91,509	91,509
Sea and foreign duty pay	9,581	9,581
Diving duty pay	199	199
Reenlistment bonuses	121,341	92,641
Proficiency pay	16,932	16,932
Enlistment bonuses	140,943	122,843
Overseas extension pay	4,800	3,800
Uniform and clothing allowances	205,921	205,921
Overseas station allowances	119,440	119,440
Variable housing allowances	174,520	174,520
Other allowances	21,028	21,028
Separation payments	118,879	113,814
Social security tax payments	620,303	620,303
Permanent change of station	1,242,400	1,046,800
Other military personnel costs	5,800	5,800
Cadets	30,900	30,900
Less reimbursables	-160,300	-160,300

The following details Committee adjustments:

[In thousands of dollars]

	Budget request	Committee recommendation
Career BAS	5,208	.....
Member mileage allowance	14,000	.....
Dependent mileage allowance	21,900	.....
Household goods weight allowance	27,500	.....
Temporary lodging expense	55,200	.....
Enlistment bonus new payments	140,943	122,843
Selective reenlistment bonus new payments	121,343	92,643
Operational and rotational moves	706,849	629,849
Recruiting and advertising	16,932	14,932
End strength adjustment	14,401,100	14,323,100

[In thousands of dollars]

	Budget request	Committee recommendation
Lump sum terminal leave	101,319	96,254
Overseas extension pay	4,800	3,800
General reduction		-42,000
Classified program		-1,600

Recruiting and advertising.—The Department offered this reduction in order to achieve outlay savings. Committee adjustment is based on this $2,000,000 giveup.

Overseas extension pay.—This pay provides $600 per year to personnel who voluntarily extend their enlistment overseas. This year's budget request is nearly 300 percent over that of last year since eligibility for this pay has been increased from 37 to 127 military occupational specialties. The Committee views this growth as excessive and reduces it by $1,000,000.

MILITARY PERSONNEL, NAVY

1982 appropriation	$10,248,574,000
1983 budget estimate	10,578,900,000
Committee recommendation	10,230,678,000

The Committee recommends an appropriation of $10,230,678,000 for fiscal year 1983. This is $348,222,000 below the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Basic pay	6,527,494	6,450,994
Basic allowance for quarters	838,604	838,604
Subsistence	871,289	839,049
Incentive, hazardous duty, aviation pay	183,735	183,735
Physician and special pay	82,760	82,760
Sea and foreign duty pay	182,687	182,687
Diving duty pay	7,445	7,445
Reenlistment bonuses	279,500	180,300
Proficiency pay	18,710	18,710
Enlistment bonuses	16,493	13,093
Other special pay	1,063	1,063
Uniform and clothing allowances	113,639	113,639
Overseas station allowances	73,881	73,881
Variable housing allowances	255,368	255,368
Other allowances	11,250	11,250
Separation payments	88,669	85,004
Social security tax payments	432,897	432,897
Permanent change of station	691,649	558,432
Other military personnel costs	5,451	5,451
Midshipmen	33,616	33,616
Less reimbursables	-137,300	-137,300

The following details Committee adjustments:

[In thousands of dollars]

	Budget request	Committee recommendation
Career BAS	32,240	
Member mileage allowance	15,072	
Dependent mileage allowance	5,070	
Household goods weight allowance	12,275	
Temporary lodging expense	23,800	
Enlistment bonus payments	13,993	13,093
Enlistment bonus increase	2,500	
Selective reenlistment bonus payments	255,700	180,300
Selective reenlistment bonus extension	23,800	
Operational and rotational moves	333,862	256,862
End strength adjustment	10,578,900	10,502,800
Lump sum terminal leave	73,231	69,566
Classified program		-400

Selective reenlistment bonuses.--A 1981 Naval audit report cites the Navy practice of continuing selective reenlistment bonus payments to personnel who rotate ship-to-shore out of the specialty for which the bonus is paid. The report specifies DOD and Navy instructions requiring bonus recipients to serve their entire reenlistment period in that specialty. Accordingly, the Committee recommends a 5-percent reduction to this account and directs the Navy to stop this abuse of selective reenlistment bonuses.

Military Personnel, Marine Corps

1982 appropriation	$3,120,745,000
1983 budget estimate	3,276,100,000
Committee recommendation	3,221,394,000

The Committee recommends an appropriation of $3,221,394,000 for fiscal year 1983. This is $54,706,000 below the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Basic pay	2,082,573	2,082,473
Basic allowance for quarters	240,277	240,277
Subsistence	266,425	260,438
Incentive, hazardous duty, aviation pay	30,785	30,785
Sea and foreign duty pay	7,569	7,569
Diving duty pay	448	448
Reenlistment bonuses	69,219	55,019
Proficiency pay	5,899	5,899
Enlistment bonuses	14,360	13,160
Uniform and clothing allowances	55,523	55,523
Overseas station allowances	26,614	26,614
Variable housing allowances	64,247	64,247
Other allowances	3,137	3,137
Separation payments	33,737	32,462
Social security tax payments	138,583	138,583

[In thousands of dollars]

	Budget request	Committee recommendation
Permanent change of station	251,221	219,277
Other military personnel costs	2,483	2,483
Less reimbursables	-17,000	-17,000

The following details Committee adjustments:

[In thousands of dollars]

	Budget request	Committee recommendation
Career BAS	5,987	
Member mileage allowance	8,345	
Dependent mileage allowance	2,800	
Household goods weight allowance	5,025	
Temporary lodging expense	9,774	
Enlistment bonus new payments	13,960	13,160
Enlistment bonus increase	400	
Selective reenlistment bonus new payments	63,019	55,019
Selective reenlistment bonus extension	6,200	
Operational and rotational moves	136,320	130,320
Lump sum terminal leave	25,519	24,244
Classified program		-100

Selective reenlistment bonuses.—The Committee recommends a $3,500,000 reduction to this account for the same reason cited under the Navy appropriation heading.

Military Personnel, Air Force

1982 appropriation	$11,508,772,000
1983 budget estimate	12,031,400,000
Committee recommendation	11,748,221,000

The Committee recommends an appropriation of $11,748,221,000 for fiscal year 1983. This is $283,179,000 below the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Basic pay	7,867,860	7,771,060
Basic allowance for quarters	998,153	990,253
Subsistence	882,858	866,354
Incentive, hazardous duty, aviation pay	160,440	156,740
Physician special pay	71,116	71,116
Sea and foreign duty pay	9,272	9,272
Diving duty pay	660	660
Reenlistment bonuses	118,962	105,562
Proficiency pay	5,038	5,038
Enlistment bonuses	6,636	6,436
Overseas extension pay	241	241
Uniform and clothing allowances	87,668	87,668

[In thousands of dollars]

	Budget request	Committee recommendation
Overseas station allowances	136,879	131,379
Variable housing allowances	210,259	210,259
Other allowances	11,347	11,347
Separation payments	74,449	71,174
Social security tax payments	523,563	523,563
Permanent change of station	969,126	833,226
Other military personnel costs	2,316	2,316
Cadets	31,657	31,657
Less reimbursables	-137,100	-137,100

The following details Committee adjustments:

[In thousands of dollars]

	Budget request	Committee recommendation
Career BAS	11,904	.....
Member mileage allowance	10,200	.....
Dependent mileage allowance	8,900	.....
Household goods weight allowance	13,800	.....
Temporary lodging expense	33,000	.....
Enlistment bonus payments	2,936	2,736
Selective reenlistment bonus payments	110,962	105,562
Selective reenlistment bonus extension	8,000	.....
Operational and rotational moves	657,118	587,118
End strength adjustment	12,031,400	11,965,100
Lump sum terminal leave	65,473	62,198
General reduction	.....	-30,000
Basic allowance for quarters	360,847	352,947
Incentive pay	142,613	138,913
Overseas station allowances	112,207	106,707
Subsistence	764,796	760,196
Classified programs	.....	-500

General reduction.—The Committee recommends acceptance of the Department offer to defer activation of active fighter squadrons in order to achieve outlay savings. Savings accrue in the costs of personnel (−2,000 personnel), fuel, supplies, and depot maintenance support. Military personnel savings are $30,000,000; operation and maintenance savings are $40,000,000; and procurement savings are $10,000,000.

Basic allowance for quarters (BAQ).—Actual program implementation indicates officer BAQ for fiscal year 1983 is overstated by $7,900,000.

Incentive pay.—Funds for this fiscal year are $3,700,000 in excess of requirements because of fewer than anticipated officers in the 6 to 18 years-of-service group.

Overseas station allowances.—This account is overestimated by $5,500,000 according to DOD figures.

Subsistence.—Increased absenteeism in dining halls permits a savings of $4,600,000.

RESERVE PERSONNEL, ARMY

1982 appropriation	$1,078,200,000
1983 budget estimate	1,224,800,000
Committee recommendation	1,224,800,000

The Committee recommends an appropriation of $1,224,800,000 for fiscal year 1983. This is the same as the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Unit and individual training:		
Pay group A	614,083	614,083
Pay group F	159,623	159,623
Pay group P	2,660	2,660
Pay group D	13,699	13,699
Other training and support:		
Mobilization training	51,366	51,366
School and special training	70,475	70,475
Administration and support	224,823	224,823
Reserve Officers Training Corps	56,172	56,172
Health professions scholarship	16,189	16,189
Branch officers basic course	15,229	15,229
Chaplain candidate program	481	481

RESERVE PERSONNEL, NAVY

1982 appropriation	$375,000,000
1983 budget estimate	641,300,000
Committee recommendation	641,300,000

The Committee recommends an appropriation of $641,300,000 for fiscal year 1983. This is the same as the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Unit and individual training:		
Pay group A	318,022	318,022
Pay group F	11,406	11,406
Pay group D	1,150	1,150
Other training and support:		
Mobilization training	4,579	4,579
School and special training	21,130	21,130
Administration and support	253,379	253,379
Reserve Officers Training Corps	19,621	19,621
Health professions scholarship	12,013	12,013

Reserve Personnel, Marine Corps

1982 appropriation	$153,600,000
1983 budget estimate	165,900,000
Committee recommendation	165,900,000

The Committee recommends an appropriation of $165,900,000 for fiscal year 1983. This is the same as the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Unit and individual training:		
Pay group A	80,911	80,911
Pay group B	266	266
Pay group C	614	614
Pay group F	40,157	40,157
Pay group P	427	427
Pay group D	132	132
Other training and support:		
Mobilization training	2,411	2,411
School and special training	14,049	14,049
Administration and support	18,780	18,780
Platoon leaders class	6,625*	6,625
Reserve Officers Training Corps	1,528	1,528

Reserve Personnel, Air Force

1982 appropriation	$328,126,000
1983 budget estimate	350,900,000
Committee recommendation	350,900,000

The Committee recommends an appropriation of $350,900,000 for fiscal year 1983. This is the same as the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Unit and individual training:		
Pay group A	163,901	163,901
Pay group F	29,217	29,217
Pay group P	16,428	16,428
Pay group D	675	675
Pay group B	450	450
Other training and support:		
School and special training	80,524	80,524
Administration and support	22,472	22,472
Reserve Officers Training Corps	23,554	23,554
Health professions scholarship	13,679	13,679

National Guard Personnel, Army

1982 appropriation	$1,466,000,000
1983 budget estimate	1,680,500,000
Committee recommendation	1,669,200,000

The Committee recommends an appropriation of $1,669,200,000 for fiscal year 1983. This is $11,300,000 below the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Unit and individual training:		
Pay group A	937,747	937,747
Pay group F	204,776	204,776
Pay group P	15,101	15,101
Other training and support:		
School and special training	142,980	142,980
Administration and support	379,896	368,596

Committee adjustment.—The Committee recommends the above change based on the adjustment in the civilian technician conversion program (−$11,300,000).

National Guard Personnel, Air Force

1982 appropriation	$479,900,000
1983 budget estimate	544,600,000
Committee recommendation	534,100,000

The Committee recommends an appropriation of $534,100,000 for fiscal year 1983. This is $10,500,000 below the budget request.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

	Budget request	Committee recommendation
Unit and individual training:		
Pay group A	291,415	291,415
Pay group F	31,404	31,404
Pay group P	1,144	1,144
Other training and support:		
School and special training	85,507	85,507
Administration and support	135,130	124,630

Committee adjustment.—The Committee recommends the above change based on the adjustment in the civilian technician conversion program (−$10,500,000).

TITLE II

RETIRED MILITARY PERSONNEL

RETIRED PAY, DEFENSE

1982 appropriation	$14,986,000,000
1983 budget estimate	16,510,800,000
Committee recommendation	16,228,800,000

The Committee recommends an appropriation of $16,228,800,000 for retired pay. This is an increase of $1,242,800,000 over the fiscal year 1982 appropriation and a decrease of $282,000,000 from the budget estimate. The recommended reduction is based on the action of the 1983 Budget Reconciliation Act (−$266,000,000); the failure of Congress to implement reverse recomputation legislation (+$84,000,000); and an overestimated CPI for March 1982 (−$100,000,000).

Appropriations under this title finance retirement pay, as authorized and prescribed by law, for military personnel on the retired lists of the Army, Navy, Marine Corps, and Air Force. This includes payments for nondisability retirement at completion of prescribed lengths of service, for those in temporary or permanent disability status, for Navy and Marine Corps members of the Fleet Reserve who have 20, but less than 30, years' creditable service, and for survivors of deceased members who qualify for continued annuities. The estimates exclude payments to individuals who elect to receive compensation for physical disability from the Veterans Administration. The amounts requested are also exclusive of any administrative expense.

TITLE III

OPERATION AND MAINTENANCE

The Committee recommends appropriations totaling $67,363,622,000 in title III, Operation and Maintenance, for fiscal year 1983. This is $2,827,500,000 below the budget estimate. The recommendation for the 1983 annual bill does not include amounts to be requested by DOD at a later time for supplemental appropriations to cover civilian pay raises, fuel price increases, and other contingent requirements.

The Committee recommendations by appropriation account are compared with the budget estimate in the following table:

[In thousands of dollars]

	Fiscal year 1982 enacted	Budget estimate	Committee recommendation
Operation and maintenance:			
Army	15,222,197	16,826,100	15,931,700
Army Stock Fund	176,300	221,138	221,138
Army conventional ammunition working capital fund		1,000	
Navy	19,624,289	22,056,800	21,043,400
Navy Stock Fund	9,435	354,372	354,372
Marine Corps	1,203,040	1,481,800	1,403,300
Marine Corps Stock Fund	13,334	11,812	11,812
Air Force	16,189,493	17,944,700	17,071,200
Air Force Stock Fund	78,800	161,600	161,600
Defense agencies	5,156,000	5,754,900	5,665,800
Defense Stock Fund	69,000	160,500	160,500
Army Reserve	670,161	686,400	692,200
Navy Reserve	574,387	653,000	662,200
Marine Corps Reserve	40,444	48,415	51,115
Air Force Reserve	679,254	766,300	766,300
Army National Guard	1,109,697	1,123,900	1,157,800
Air National Guard	1,671,218	1,761,800	1,832,600
National Board for the Promotion of Rifle Practice	861	875	875
Claims, Defense	155,700	172,500	172,500
Court of Military Appeals, Defense	2,700	3,210	3,210
Total, operation and maintenance	62,646,310	70,191,122	67,363,622

INFLATION AND PROGRAM GROWTH

The Department's budget estimate of $70,191,122,000 includes $3,299,000 for inflation and $4,735,100,000 for real program growth over the previous year programs. The Department assumed an average rate of inflation of 6.1 percent.

EUROPE FORCE STRUCTURE

Adjustments are recommended in the operating accounts for support cost reductions by holding military end strengths in Europe to the fiscal year 1980 level as discussed in the military personnel section in this report.

FOREIGN CURRENCY REVALUATION

The Committee recommends a reduction of $700,000,000 dispersed throughout each of the operating accounts to reflect improvements in the exchange rates of the U.S. dollar against various foreign currencies. The buying power of the U.S. dollar has increased more than $300,000,000 above the rates assumed in the February budget submission. The reduction is based on the assumption that the exchange rate condition will improve at the same rate through fiscal year 1983 budget execution. If these improvements are not realized, the foreign currency fluctuations account balances are more than adequate to assume any shortfall.

The foreign currency fluctuations account was established by the Congress in 1979 to compensate for dollar buying power erosion which occurred at that time. Payments from the fund allowed the Department to shield operating programs from significant losses in currency value fluctuations. Now the upturn in the exchange rate has produced significant gains above the budget requirements, triggering a reimbursement to the foreign currency fluctuations account for future use. Assuming steady improvement in the exchange rate, the balances in this account will exceed $1,000,000,000 in fiscal year 1983. The Committee expects the recommended reduction will force a decline in these excessive balances.

The authorization reduced $198,000,000 from the request. The Committee's lower funding recommendation should be accommodated through funds available in the foreign currency fluctuation account. The Department may transfer unobligated balances to the foreign currency account whenever reserves are substantially below levels previously appropriated. Rates included in this report shall be the basis for fiscal year 1983 execution.

The following table shows the fiscal year 1983 foreign currency rates in the President's budget, the rates used in the authorization act and the rates assumed by the Committee.

FISCAL YEAR 1983 FOREIGN CURRENCY RATES

[Units of foreign currency per one U.S. dollar]

Country	Fiscal year 1983 President's budget	Authorization rates	Appropriation rates
Belgium (franc)	37.70	45.22	55.62
Canada (dollar)	1.18	1.22	1.50
Denmark (krone)	7.16	8.19	10.07
Fed. Rep. of Germany (mark)	2.28	2.40	2.95
France (franc)	5.63	6.28	7.72
Greece (drachma)	56.70	63.60	78.23
Italy (lira)	1,201.00	1,319.26	1,622.59
Japan (yen)	220.70	243.00	298.89
Netherlands (guilder)	2.46	2.66	3.27
Norway (krone)	5.78	6.07	7.47
Portugal (escudo)	64.10	72.50	89.18
Spain (pesta)	95.23	105.74	130.06
Turkey (lira)	127.36	144.35	177.55
United Kingdom (pound)	.52	.56	.68

FUEL PRICING

Over $9,000,000,000 was budgeted for fuel consumption of the various military services in fiscal year 1983. DOD assumed a composite cost estimate per barrel of refined fuel of $49.98, or roughly $1.19 per gallon. Since the budget was submitted, actual fuel prices have softened considerably to an average cost of roughly $46 per barrel. The Committee concurs in the authorization reduction of $440,000,000 to reflect the revised composite estimate to $47.46 per barrel through fiscal year 1983.

The Committee is sensitive to fuel price estimating uncertainties. Procedures approved by the Congress in last year's appropriation will insure that readiness-related programs will not be affected by this reduction. DOD established stabilized 1983 rates for fuel products for stock fund sales to the operating account. Changing this stabilized rate so close to the commencement of the fiscal year would disrupt the orderly budget execution. The Committee expects the Department to proceed at the published stabilized rate. As the stock fund continues to generate cash above actual costs, a refund should be provided to the operating accounts toward the end of the fiscal year as had been the practice in fiscal year 1982. If market prices escalate above the composite rate of $47.46 provided for in the bill, DOD should invoke R.S. 3732 to cover the difference.

During deliberations on the fiscal year 1983 budget, the Committee was notified of potential cash problems in the various stock funds, unrelated to fuel costs. Planned increases in the military force levels and modernization will stimulate increases in stock funded material inventories. In prior years, DOD utilized excess cash generated from overpricing the stabilized rate for fuel to compensate for the material requirement. The Committee is concerned that this practice forces an overly liberal estimating for fuel costs. Moreover, financing through this

pricing mechanism clouds the scope of material inventory demands. DOD should request direct appropriations for the stock funds for increased inventory requirements in the future.

A detailed allocation of the authorized reduction of $440,000,000 is contained in each of the operating accounts.

CONTRACTING OUT PROGRAM

The Committee concurs in the authorization reduction of $16,800,000 to reflect a 6-month moratorium on cost studies to determine the feasibility of contracting out certain functions under the guidelines of OMB Circular A–76.

CONSULTANTS, STUDIES, TECHNICAL SERVICES, AND OTHER MANAGEMENT SUPPORT CONTRACTS

The Committee has repeatedly expressed its concern over the excessive use of contractor support to perform tasks which should be done by Government employees or which do not need to be performed at all. Heightening this concern is the fact that the Department of Defense has been unable to ascertain actual expenditures in this area although it is clear that they are far in excess of the $1,300,000,000 reported by the Department.

DOD projects an increase of over $186,000,000 in all accounts for contract support services. The Committee denies this increase and recommends that reductions of $127,000,000 for O. & M., $44,500,000 for procurement and $14,000,000 for R.D.T. & E. be applied. Because the requirement for contract engineering technical services is more readily justifiable, the Committee expects that the preponderance of the reduction will be applied in the categories of consultants, studies and analysis, and professional management services.

Last year the Committee enunciated firm direction to improve budget and accounting systems in a manner that would yield accurate supporting data for the fiscal year 1983 budget submission. Even a casual review of the Department's report on this directive makes it clear the results are woefully short of the objective. Contract reporting systems still do not capture the requisite data. Arbitrary definitions of what services are included under the headings of consultants, studies, technical services, and management support contracts have compounded the problem.

The Committee notes with some optimism that the Department has appointed a Director of DOD Contract Studies and Management Support Services. In order to build a requisite data base from the contracting officer level throughout the Department of Defense and insure appropriate visibility for the overall effort, this new office should be located under the auspices of the DOD Comptroller with adequate support staff. The Committee expects this management attention will facilitate the accurate reporting and control of contract support services. The Committee urges the Department to consider the contributions that can be made to this effort by the Defense Technical Information Center and the Defense Logistics Studies Institute.

Biofeedback.—The Committee recommended last year that reimbursement begin for biofeedback services. The Department has not acted upon this recommendation, however, even though considerable cost savings are expected. The Committee understands the Surgeon General of the Department of Health and Human Services publicly expressed enthusiasm for this clinical technique and that the Health Care Financing Administration (HCFA) now reimburses for biofeedback care under certain conditions. Accordingly, the Committee directs CHAMPUS to report no later than April 30, 1983, what biofeedback benefits should be implemented in order to effect cost savings.

Peer review.—The Committee favors the CHAMPUS discussions with the American Nurses Association and the National Association of Social Workers to develop review mechanisms for mental health care. The Committee encourages CHAMPUS to integrate the various mental health panels so that the review process is consistent, regardless of the professional discipline of the provider.

Child and spouse abuse.—The Committee is pleased with the Department's request for $5,000,000 to continue its family advocacy program. During the past year, the Department has developed a credible program to combat the problems of child and spouse abuse. The Committee believes this effort serves the interest of the Department as well as that of the individual service member.

Clinical social worker reimbursement.—Based on the successful pilot program, the Committee has included bill language to permit direct reimbursement of clinical social workers who provide mental health care. CHAMPUS reports demonstrate that in all but two States the comparative prevailing fee profiles for social workers' psychotherapy sessions are lower than those for psychiatrists. In two States, the profiles were identical. No quality of care problems have arisen, and reimbursement of clinical social workers costs less than the traditional physician gate-keeper approach. As previously indicated, a qualified clinical social worker is one who (1) is licensed or certified as a clinical social worker by the State in which he or she so practices, or, if such State does not have an applicable law which provides for the licensing or certification of clinical social workers, is either listed in a National Register of Clinical Social Workers established by a nationally recognized professional organization of social workers, or meets equivalent requirements prescribed by the Secretary of Defense; (2) possesses a masters degree in social work; and (3) has performed at least 2 years of supervised clinical social work.

Fraud and abuse.—The Committee continues to support CHAMPUS efforts to counter individual beneficiary and provider fraud. The Committee recognizes that the first public report by the Inspector General of the Department of Health and Human Services estimated a 7-percent outlay loss because of fraud and abuse. Accordingly, the Committee urges CHAMPUS to work with officials in the Department of Health and Human Services in addressing this issue.

Health maintenance organization (HMO) project.—The Committee has again included bill language to continue the HMO experimental program since it has major cost savings potential, especially as regards hospital costs. The Committee is most impressed by the realistic and reasonable HMO program developed by CHAMPUS. Indeed, the two sites of Portland, Oreg., and Minneapolis-St. Paul are fully operational and, in the near future, HMO's will be available to beneficiaries in Houston. The Committee expects that CHAMPUS will provide it with concrete recommendations in preparation for the fiscal year 1984 appropriations bill. If necessary, however, the Committee may continue this experimental authority given the potential cost savings involved. Furthermore, CHAMPUS should explore other types of health insurance for beneficiaries in an effort to reduce cost.

Inpatient psychiatric care.—The Committee recommends bill language limiting the length of inpatient psychiatric care to 60 days annually, except when the Director of CHAMPUS or a designee waives the limit due to extraordinary circumstances. The Committee has previously expressed concern regarding excessive use of costly inpatient mental health facilities. The proposed 60-day annual limit is the same as that currently in effect for Federal employees under the Blue Cross/Blue Shield high option plan, and it is double that available under the Blue Cross/Blue Shield low option plan. This action has become necessary in light of statistics showing the average cost per inpatient psychiatric admission to be nearly twice that for inpatient surgery or medical care. So as to minimize disruption, the Committee directs CHAMPUS to apply this restriction only to new cases beginning January 1, 1983. For the purposes of this proposed annual limitation, the Committee does not consider the Residential Treatment Center (RTC) program as inpatient care.

Nonphysician health care providers.—The Committee remains concerned that numerous morale problems exist among nonphysician health care providers. Last year the Department was directed to renew its attention to this matter and to report the extent to which primarily administrative positions are filled by clinicians. The Committee received a Defense Audit Service report which found serious morale problems among clinical psychologists and optometrists. The Committee again directs the Department to review its current utilization of nonphysician health care providers and, in particular, to insure that administrative positions are appointed based on individual merit rather than professional discipline.

Nurse-midwives.—The Committee is pleased that administrative difficulties in reimbursing certified nurse-midwives are being resolved in a timely manner. The Committee is especially interested in insuring that nurse-midwife-administered birthing centers become authorized providers since present estimates indicate this will result in an overall savings of up to 66 percent.

Optometry.—The Committee urges CHAMPUS to consider an increased vision therapy benefits package. Available evidence suggests that approximately 15 percent of private sector employees have routine

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vision care available through their health care benefits program and further that eye and vision disorders account for the second most chronic national health condition. Yet, on a nationwide basis, it is estimated that only half of those requiring some form of vision care actually receive it. It is the Committee's judgment that unless the Department provides a reasonable vision care benefit, this neglect will result in increased medical care expenses.

Nurse practitioners.—The Committee is pleased with the extent to which CHAMPUS has been working with the nationally recognized professional nursing organizations in order to insure that administrative difficulties regarding direct reimbursement are resolved.

Residential treatment centers (RTC).—The Committee expects that only medically and psychologically necessary care be provided under this program. The concern has been the subject of a Defense Audit Service review and of considerable scrutiny by the Department. The Committee understands the Department has spent considerable time and energy during the past year in improving the program and that new regulations are being prepared for public release which will address the Committee's concerns. The Committee is pleased with the Department's progress in addressing the Residential Treatment Center program and commends its effort to insure that quality and cost-effective care remain available to CHAMPUS beneficiaries.

Care in military facilities.—The Committee is disturbed that CHAMPUS costs are rising at an unprecedented rate. During the past 6 months alone, the hospital increase has reached 26 percent despite peer review efforts to insure that only medically and psychologically necessary care be provided. Indeed, in one State the rate of increase has reached 41 percent. Moreover, 55 percent of CHAMPUS payments are made for beneficiaries living within 40 miles of a military hospital, personnel for whom certificates of nonavailability must be issued. The Committee directs the Department and CHAMPUS to tightly restrict the use of these certificates and to maximize the on-base caseload. Because CHAMPUS faces a $180,000,000 deficit in fiscal year 1983, the Committee has added $120,000,000 to the budget estimate. CHAMPUS is expected to implement tighter management in order to cover the remaining $60,000,000.

Alcohol and drug abuse.—The Committee is disturbed to learn that 30 percent of the Armed Forces has reported at least minor work impairment due to alcohol abuse and that 20 percent of junior enlisted personnel have reported similar impairment due to drug abuse. While the military alcohol and drug abuse problem may be no greater than that experienced by the general population, it effects grave consequences for the readiness, morale and capabilities of the Armed Forces. Accordingly, the Committee directs the Department to insure that sufficient funds are budgeted to combat this problem and to report no later than April 30, 1983, the specific steps being taken to counter alcohol and drug abuse.

Coordinated benefits with third party payers.—The Committee directs the Department to provide it with a report by June 1, 1983, on the

feasibility of having military base health care facilities coordinate their benefits with those covered by third party payers. The Committee understands that CHAMPUS has already adopted this approach whereby beneficiaries are required to use other health insurance benefits they may possess, prior to billing CHAMPUS.

Military facilities copayment charge.—At present, personnel receiving outpatient care under CHAMPUS are required to pay an annual $50 deductible fee, as well as a 20-percent copayment charge for each outpatient visit. The average cost to CHAMPUS for an outpatient visit is $74, and CHAMPUS beneficiaries pay an average of $14.80 per visit. The Committee is informed that $141,000,000 could be saved in fiscal year 1983 by applying a $5 copayment fee to outpatient visits of retired and dependent personnel using health care facilities at military installations. Accordingly, the Committee directs the Department to report by May 1, 1983, on the feasibility and expected savings of having a unified and consistent CHAMPUS beneficiary health care program so that the services and costs to beneficiaries are the same, regardless of where the services are obtained.

Nonlicensed health care providers.—The Committee understands that the Department requires nurses and medical technicians to be licensed if they are providing health care services. This requirement does not apply, however, to physicians, dentists, veterinarians, or clinical psychologists even though a military attorney must belong to a State bar to be commissioned a judge advocate or to be in any service's Judge Advocate General's Corps. The Committee questions whether the Department considers health care services less important than legal services. The Committee directs the Department to report by May 1, 1983, whether all military health care providers should be licensed or directly supervised by a licensed health care provider of the same discipline. The Committee raises this issue in light of numerous allegations of low-quality health care rendered by military professionals in on-base facilities.

UNEMPLOYMENT COMPENSATION

Billings to date from individual States for unemployment compensation indicate only $7,000,000 of the $53,600,000 budget for fiscal year 1982 is necessary. Based on the little data available with which to project actual funding requirements, the Committee recommends a $38,900,000 reduction to the fiscal year 1983 budget of $52,500,000.

MISCELLANEOUS REDUCTIONS

The Committee recommends a reduction of $3,833,000 to Air Force and $2,220,000 to Marine Corps accounts for discretionary pays authorized by the 1981 Pay and Benefits Act. Funding is denied for household goods storage in excess of 180 days; for environmental and morale leave; and for emergency leave. This denial represents no reduction to current allowances. The Army and Navy did not budget for these programs.

FEDERAL EMPLOYEE INJURY COMPENSATION SYSTEM

Since the fiscal year 1979 Defense Appropriation Act, in each successive year the Congress has adopted a provision to limit payments that the Department of Defense may make to the Department of Labor for the Federal employee compensation fund. These provisions have been included in recognition of the excessively large percentage increases for such payments from year to year. The attempt has been to reduce the amount paid by the Department of Defense into the employee compensation fund to an amount equal to the average cost increase of the direct labor for that year. Payments will be constrained to $217,600,000 which allows for an approximate increase of 6 percent from the fiscal year 1982 level. Section 734 of the bill contains this limitation.

TRAVEL

The Committee recommends a reduction of $109,500,000 from the amounts requested for travel. OMB's interagency travel management improvement project report of July 1981 identified potential savings of $202,000,000 in direct travel expenditures and related administrative costs on a Government-wide basis. The Department of Defense expends over 60 percent of Federal travel funds. While the Committee recognizes there may be certain differences distinguishing DOD travel requirements from those of domestic and foreign service agencies, it is nonetheless apparent that significant savings can be achieved in this area. The Committee believes sufficient savings can be achieved to warrant holding travel funding to approximately the 1982 level.

MILITARY TRAINING AND EDUCATION

The Committee notes that the budget request for this account has steadily risen from $1,654,000,000 in fiscal year 1981 to $2,279,000,000 this year. At the same time, however, retention levels among all services have likewise increased. While the Department justifies higher training costs as necessary complements to end strength growth, the Committee is convinced that future reductions in training and education should be made if retention rates remain steady. Accordingly, the Committee directs the Department to report no later than March 31, 1983, the actual impact of improved retention on the various training and education program costs.

TRANSPORTATION OF HOUSEHOLD EFFECTS

The Committee is concerned over the growing trend within the Department of Defense toward more stringent regulation of household goods carriers, a trend that is in clear contravention of the directives contained in the recently enacted Household Goods Transportation Act of 1980. The Committee admonishes the Department to reduce its regulation of household goods carriers to the maximum extent feasible and to weigh carefully any further action it has taken or would propose that contravenes the expressed intentions of the Congress.

Further, the Department should not institute any procedural changes with respect to the shipment of household goods under its jurisdiction to or from the States of Alaska or Hawaii without prior approval of the Committee. In particular, no procedures in this respect should be implemented that are unique to these two States or that are substantially different from those conducted in the other 48 States.

OPERATION AND MAINTENANCE, ARMY

1982 appropriation	$15,222,197,000
1983 budget estimate	16,826,100,000
Committee recommendation	15,931,700,000

The Committee recommends an appropriation of $15,931,700,000. This is $894,400,000 below the budget estimate.

This appropriation provides for the activities of the active Army, including the pay of civilian personnel, operation and maintenance of aircraft, equipment and bases, training, direct care medical programs, and all associated activities.

The following detail table provides a program comparison of the Committee recommendations to the budget request.

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
OPERATION AND MAINTENANCE			
OMA, ARMY			
GENERAL PURPOSE FORCES			
UNIFIED COMMANDS	7,978	8,438	8,438
ALASKA FORCES	13,525	14,820	14,820
EUROPE FORCES	971,118	1,191,374	1,119,770
EUROPE-BASE OPS	532,122	644,858	614,997
EUROPE-RPMA	865,806	960,725	960,209
PACIFIC FORCES	199,796	258,067	237,467
PACIFIC-BASE OPS	266,909	222,612	221,445
PACIFIC-RPMA	307,870	224,246	224,246
SOUTH FORCES	6,858	8,372	8,372
CONUS FORCES-FORSCOM	695,248	785,188	751,974
OTHER CONUS FORCES	197,587	255,011	200,511
CONUS-BASE OPS	593,690	657,876	647,380
CONUS-RPMA	677,874	566,529	559,576
JCS EXERCISES	66,645	76,895	65,140
COMBAT DEV ACTIVITIES	171,350	214,134	212,785
CURRENCY FLUCTUATION	-43,700	---	---
SUBTOTAL	5,470,676	6,089,145	5,847,130
INTELLIGENCE AND COMMUNICATIONS	845,987	915,368	904,580
CENTRAL SUPPLY AND MAINTENANCE			
SUPPLY ACTIVITIES	1,033,029	1,128,380	1,115,863
LOGISTIC SUPPORT ACTIVITIES	401,051	417,632	414,736
TRANSPORTATION	991,343	1,062,089	1,046,475
INDUSTRIAL PREPAREDNESS OPERATIONS	126,279	147,599	147,599
COMMISSARIES-TROOP ISSUE SUBSISTENCE	189,775	200,969	200,969
REAL ESTATE ADMINISTRATION	52,969	51,952	51,952
REVOLVING FUND FINANCING	-73,949	-17,340	-17,340
BASE OPERATIONS	167,105	168,728	167,124
RPMA	155,935	131,907	131,907
MODERNIZATION	79,528	98,498	98,498
OTHER DEPOT MAINTENANCE	1,029,416	1,164,568	1,123,568
MAINTENANCE SUPPORT ACTIVITIES	406,596	476,360	409,367
INDUSTRIAL FUND FINANCING	-17,631	-19,003	-19,003
SUBTOTAL	4,541,446	5,012,339	4,871,715
TRAINING& MEDICAL			
RECRUIT TRAINING	9,796	10,484	10,484
OSUT	25,538	34,709	34,709
OFFICER ACQUISITION	28,980	31,798	31,798
SENIOR ROTC	45,321	57,141	57,141
SPECIALIZED TRAINING	187,277	213,448	211,639
FLIGHT TRAINING	112,401	140,270	140,270
PROFESSIONAL DEVELOPMENT	35,394	37,344	37,344
TRAINING SUPPORT	315,761	364,232	359,054
RPMA TRAINING	587,296	450,402	446,379
BASE OPERATIONS TRAINING	528,010	587,942	578,826

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
CARE-REGIONAL DEFENSE FACILITIES	271,856	289,591	289,591
STATION HOSPITALS/MEDICAL CLINICS	428,698	478,824	475,435
DENTAL CARE ACTIVITIES	54,395	58,291	58,291
CARE NON-DEFENSE FACILITIES	43,164	46,346	46,346
EDUCATION AND TRAINING-HEALTH CARE	53,639	61,828	61,828
COMMAND HEALTH CARE	8,725	9,238	9,238
RECRUITING & EXAMINING	15,376	16,722	16,722
OTHER MEDICAL ACTIVITIES	103,873	111,899	111,899
AUDIO-VISUAL SUPPORT	4,393	4,866	4,866
RPMA-MEDICAL	42,858	42,177	42,177
BASE OPERATIONS-MEDICAL	22,447	25,587	25,587
SUBTOTAL	2,925,218	3,073,139	3,049,624
RECRUITING AND EXAMINING	245,714	257,936	232,936
PERSONNEL PROCESSING ACTIVITIES	9,405	10,756	10,756
OTHER PERSONNEL ACTIVITIES	20,850	24,256	23,256
CIVILIAN TRAINING, EDUCATION & DEVELOPMENT PROGRAM	75,345	86,114	86,114
JUNIOR ROTC	16,824	19,292	19,292
ARMY CONTINUING EDUCATION SYSTEM	107,560	157,322	123,525
ARMED FORCES RADIO & TELEVISION SERVICE	9,325	10,393	10,393
INDIVIDUALS	---	---	---
SUBTOTAL	485,023	565,069	506,272
ADMINISTRATION			
DEPARTMENTAL HEADQUARTERS SUPPORT	113,954	126,113	126,113
PERSONNEL ADMINISTRATION SUPPORT	130,364	150,166	150,166
PUBLIC AFFAIRS ACTIVITIES	7,829	8,387	8,387
CRIMINAL INVESTIGATION ACTIVITIES	19,100	22,487	22,487
SERVICE-WIDE SUPPORT	581,788	482,042	466,120
AUDIO-VISUAL SUPPORT	4,541	4,677	4,677
BASE OPERATIONS	36,172	214,684	243,396
RPMA	32,915	32,148	31,148
SUBTOTAL	926,663	1,040,704	1,052,494
SUPPORT TO OTHER NATIONS			
INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES	112,964	127,031	126,980
MISCELLANEOUS SUPPORT TO OTHER NATIONS	3,120	3,305	3,305
SERVICE SUPPORT TO MILITARY ASSISTANCE & FOREIGN MILITARY SALES PROGRAM	---	---	---
OTHER REDUCTIONS			
FUEL	---	---	-24,800
FOREIGN CURRENCY	---	---	-341,500
CONSULTANTS	---	---	-7,100
TRAVEL	---	---	-14,800
EUROPE FORCE STRUCTURE	---	---	-35,000
RAPID DEPLOYMENT FORCE	---	---	-7,200
SUBTOTAL	116,084	130,336	-309,115
TOTAL, OMA, ARMY	15,311,097	16,826,100	15,931,700

COMMITTEE ADJUSTMENTS

Force modernization.—The Army estimates the cost associated with fielding new weapons systems will be on the order of $1,400,000,000 in fiscal year 1983. These are incremental costs above current expense to operate systems which have been fielded for a number of years. The driving factors are the average cost per system and the number of systems to be fielded. Revised estimates indicate the delivery of major weapons systems is overstated for fiscal year 1983. More importantly, the average costs for some systems are increasing above the budget estimates. Although 177 fewer M–1 tanks are expected to be fielded than the budget assumed, the average cost to field each tank has risen from $114,000 to $166,000, or about 46 percent. The total revised estimate closely equates to CBO projections earlier this year which demonstrated that the additional support costs of the M–1 over the existing M–60 tanks could be as high as 50 percent. Indications are that the baseline estimates for other major systems may be similarly understated. Recognizing these adjustments, the Committee recommends a reduction of $187,500,000. This is based on revised major system fielding plans to reflect procurement delivery slippages. It assumes all planned decreases and reflects increased average unit costs currently estimated in fiscal year 1983.

The Army experienced budget execution problems in fiscal year 1982 resulting in $109,000,000 of appropriated funding excess to program requirements. The magnitude of this budgetary windfall was not fully appreciated until sometime after the field level activities had begun obligating excess funds for unbudgeted items. In order to rectify this apparent mismatch of requirements to actual expenditures, the Committee directs the Army to develop an accounting system which matches budget execution to budget plans. The Committee expects to be notified when this objective has been attained.

Flying hours.—The Committee recently approved a reprograming request to transfer funds from O. & M. to procurement to support the fiscal year 1984 flying hour program. Army's plan is to decrease the consumption of spares and repair parts in this fiscal year to support future material requirements. The Committee recommends a reduction of $33,600,000 which levels the fiscal year 1983 flying hour program to the current rate to reduce further the consumption of spares and repair parts.

Project VIABLE.—Army recently awarded a contract to operate and maintain 5 regional data centers and replace computers at 44 data processing installations. The budgeted level provided for a lease or purchase option. The current contract will provide most of the equipment in service on a lease basis. The Committee recommends a realinement of funding with an increase of $29,000,000 in the O. & M. account and corresponding reduction in the procurement account.

Base operation support.—In accordance with the authorization, a reduction of $20,000,000 is recommended to encourage a consolidation of base operation support activities at colocated facilities.

Civilian employment.—In accordance with the authorization, 2,500 civilian spaces were deleted from the planned increase of civilian personnel. The Committee recommends a corresponding reduction of $50,000,000.

Classified programs.—The Committee recommends a reduction of $2,700,000 in accordance with authorization action which is detailed in the classified annex to this report.

POMCUS sets 5 and 6.—The fiscal year 1982 act and supplemental contained provisions to eliminate funding for prepositioning of material configured in unit sets (POMCUS) 5 and 6. The Committee recommends the fiscal year 1983 funding request of $32,100,000 for this purpose be denied.

Logistics support.—Funds were budgeted to upgrade stockage of repair parts in Europe from 4,000 to 20,000 items to support the increasing force structure. The Committee recommends a reduction of $10,000,000 which will slow the initiative to increase the supply base in Europe. Current stockage levels are adequate to meet peacetime requirements.

Security support.—The budget assumed replacement of 510 military engaged in security functions. The Army intends to hire 185 Government civilians and contract for the remaining 325 work-years of effort. Section 1111 of the authorization act prohibits new contracts for security functions. The Committee recommends a reduction of $4,900,000 associated with the contract security. The authorization does not specifically preclude the Army from replacing military spaces from within civilian strengths available.

Service-wide support.—Army requested $7,900,000 to restore reprogramed funds from supplies and equipment for five separate headquarters-level activities during fiscal year 1982. It has not been demonstrated that the current level of administrative activity was significantly impaired by this internal reprograming. The Committee recommends this request be denied.

Military support.—The Committee recommends a reduction of $60,000,000 to reflect force structure changes and recruiting and advertising reductions described earlier in the military personnel section of this report.

Intelligence command reorganization.—Army requested $4,700,000 to restructure 28 small intelligence units under a battalion framework and headquarters. It is the Committee's view that reorganizations should be aimed at cost reduction. If the Army should persist in this plan, it should be accomplished with available funds. Accordingly, $4,700,000 is denied.

European force structure.—Army budgeted an increase of $5,100,000 one-time costs and half-year recurring costs of an additional 450 officers for activation of new units in Europe. In order to limit creeping escalation of Europe force structure levels, the Committee recommends a reduction of $4,200,000. Funds remain available to activate a medical evacuation hospital and two nuclear biological and chemical detachments. An additional reduction of $17,000,000 accompanies the decrease

of military end strength in Europe as described in the military personnel section of this report.

New Cumberland Army Depot.—The Committee directs Army to defer transferring aircraft maintenance functions performed at New Cumberland Army Depot to the Corpus Christi Army Depot until the cost implications of the consolidation have been clarified. Army has claimed a $16,000,000 annual savings from consolidation; a House Appropriations Surveys and Investigation staff report concluded that costs would actually increase by $2,300,000. Until a report is provided to the Committees on Appropriations reconciling these estimates, the Army is directed to suspend consolidation plans. In the interim, all aircraft maintenance activities currently conducted at New Cumberland Army Depot shall continue.

Executive training.—A total of $8,900,000 is requested for a 50-percent increase in high-level executive training programs. Although the Committee understands the importance of executive training, the current funding level appears to be more than adequate and a reduction of $2,800,000 is recommended.

Luxembourg storage.—The budget request of $20,400,000 was based on the assumption that two storage sites would be completed and available for a full year. Construction of the second site has slipped and occupancy is not expected until late in the fiscal year. The Committee recommends a reduction of $4,900,000 to reflect this development.

JCS exercises.—The fiscal year 1982 appropriation included a change in financing joint service exercises from the responsibility of military services to the Joint Chiefs of Staff. A reduction of $11,900,000 deletes all funding for inland transportation and port handling associated with JCS exercises. Costs should be accommodated within the Defense agencies account.

DARCOM reorganization.—The Army's Materiel and Readiness Command (DARCOM) has begun a reorganization to implement a middle level of management between acquisition project managers and the field. This reorganization was to be accomplished within available funds during fiscal year 1982. Instead, funds were diverted from the force modernization program which had been overbudgeted as previously described. The Committee still has some serious reservations with the cost-effectiveness or utility of this reorganization plan to introduce new headquarters personnel with no line functions. A reduction of $6,000,000 is recommended to guarantee that if the Army should persist in this plan that DARCOM will assume the increase of personnel for this reorganization from within funds available in fiscal year 1983.

Authorization reductions.—The Committee recommends reductions of $30,000,000 in the Army continuing education system and $13,000,000 for skill qualifications testing to reflect authorization limitations.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

	Committee recommendation
Foreign currency revaluation	−$341,500,000
Fuel repricing	−24,800,000
Contracting studies moratorium	−6,700,000
Disability compensation	−7,300,000
Contract consultants	−7,100,000
Travel	−14,800,000
Unemployment compensation	−18,900,000
Force modernization	−187,500,000
Flying hours	−33,600,000
Project VIABLE	+29,000,000
Base operations	−20,000,000
Civilian personnel	−50,000,000
Classified programs	−2,700,000
POMCUS sets 5 and 6	−32,100,000
Logistics support	−10,000,000
Security support	−4,900,000
Servicewide support	−7,900,000
Military support	−60,000,000
Intelligence Command reorganization	−4,700,000
Europe force structure	−21,200,000
Executive training	−2,800,000
Luxembourg storage	−4,900,000
JCS exercises	−11,800,000
SQT and ACES	−35,000,000
DARCOM reorganization	−6,000,000
Rapid Deployment Force	−7,200,000

Army Stock Fund

1982 appropriation	$176,300,000
1983 budget estimate	221,138,000
Committee recommendation	221,138,000

This appropriation provides for the purchase of war reserve material. The Army Stock Fund purchases consummable items—repair parts, clothing, and other materials—and holds them for use in the event of an outbreak of hostilities.

The Committee recommends an appropriation of $221,138,000, the same as the budget estimate.

Army Conventional Ammunition Working Capital Fund

1982 appropriation	
1983 budget estimate	$1,000,000
Committee recommendation	

The Committee recommends no appropriation for the Army conventional ammunition working capital fund. This is $1,000,000 below the budget estimate.

Funds were budgeted for procurement of ammunition through this revolving fund. Projected unobligated balance of nearly $400,000,000 should be adequate to cover this requirement.

Operation and Maintenance, Navy

1982 appropriations	$19,624,289,000
1983 budget estimate	22,056,800,000
Committee recommendation	21,043,400,000

The Committee recommends an appropriation of $21,043,400,000. This is $1,013,400,000 below the budget estimate. This appropriation provides for the activities of the active Navy, including the pay of civilian personnel, operation and maintenance of aircraft, vessels, equipment and bases, training, direct care medical programs, and all associated activities.

The following detail table provides a program comparison of the Committee recommendations to the budget request.

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
O&M, NAVY			
STRATEGIC FORCES			
TRIDENT SUBMARINE MISSION SUPPORT	108,760	181,733	142,697
STRATEGIC WEAPONS SYSTEM SUPPORT	572,013	676,290	676,290
STRATEGIC SHIP OPERATIONS	100,478	131,728	131,728
SHIP MAINTENANCE & MODERNIZATION	507,888	618,981	618,981
COMMUNICATIONS	52,648	57,448	57,448
COMMAND & STAFF	19,052	22,104	22,104
MAINTENANCE OF REAL PROPERTY	31,329	20,570	20,570
BASE OPERATIONS	48,924	65,758	57,093
SUBTOTAL	1,441,092	1,774,612	1,726,911
GENERAL PURPOSE FORCES			
TACAIR/ASW OPS	1,070,977	1,012,500	979,300
FLEET AIR SUPPORT	289,738	273,892	273,892
SHIP OPERATIONS	2,468,640	2,713,728	2,597,978
SHIP MAINTENANCE & MODERNIZATION	3,879,853	4,620,499	4,425,108
MAINTENANCE OF REAL PROPERTY	335,445	327,224	327,224
BASE OPERATIONS	955,683	1,054,530	1,048,530
COMBAT SUPPORT FORCES	76,977	93,777	93,777
SHIP OPERATIONS SUPPORT	73,719	97,530	97,530
OTHER WARFARE SUPPORT	21,004	20,268	17,392
CRUISE MISSILE	13,239	20,652	20,652
FLEET AIR TRAINING	286,444	288,486	288,486
SHIP TRAINING	3,835	5,747	5,747
UNIFIED COMMANDS	21,320	23,896	23,896
FLEET COMMANDS/STAFFS	70,039	96,376	82,626
SEALIFT PREPOSITIONING	246,515	315,154	275,154
SUBTOTAL	9,833,428	10,964,259	10,557,292
INTELLIGENCE & COMMUNICATIONS	829,363	942,402	939,502
CENTRAL SUPPLY & MAINTENANCE			
NAVAL AIR SYSTEMS COMMAND			
AIRCRAFT REWORK AND MAINT	1,471,871	1,649,699	1,599,699
AIR-LAUNCHED WEAPONS	76,968	88,841	88,841
OTHER AVIATION REWORK	159,522	185,653	180,153
COMMAND AND ADMINISTRATION	14,833	20,810	20,810
FIELD SUPPORT	192,852	205,695	205,695
LOGISTIC SUPPORT	46,102	49,413	49,413
MAINTENANCE ENGINEERING	123,056	155,307	155,307
TECHNICAL SUPPORT	85,936	98,784	93,711
ASW SUPPORT	6,705	10,056	10,056
BASE OPERATIONS	11,643	12,425	12,425
NAVAL SEA SYSTEMS COMMAND			
SHIP-LAUNCHED WEAPONS REWORK	274,883	285,187	282,368
OTHER SHIP SYSTEM MAINTENANCE	168,035	189,153	187,006
COMMAND AND ADMINISTRATION	27,083	28,581	28,581
FIELD OPERATIONS	315,441	351,914	310,514

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
LOGISTIC SUPPORT	230,357	334,803	335,358
MAINTENANCE ENGINEERING	215,387	226,580	226,138
TECHNICAL SUPPORT	35,381	41,134	41,130
ASW SUPPORT	107,518	135,572	135,572
BASE OPERATIONS	34,344	41,764	41,764
NAVAL ELECTRONIC SYSTEMS COMMAND			
ELECTRONIC SYSTEMS REWORK	83,874	81,057	81,057
COMMAND AND ADMINISTRATION	6,329	5,391	5,391
FIELD OPERATIONS	58,604	65,731	65,731
LOGISTIC SUPPORT	9,282	5,439	5,439
MAINTENANCE ENGINEERING	87,209	95,046	95,046
ASW SUPPORT	102,070	114,090	114,090
BASE OPERATIONS	4,312	5,653	5,653
NAVAL SUPPLY SYSTEMS COMMAND			
SUPPLY DEPOTS	182,282	201,232	201,232
INVENTORY CONTROL POINTS	167,844	195,556	195,556
FIELD OPERATIONS	31,210	46,220	46,220
COMMAND AND ADMINISTRATION	22,150	24,291	24,291
COMMISSARY OPERATIONS	63,008	60,056	60,056
TRANSPORTATION	412,938	476,294	476,294
BASE OPERATIONS	115,550	125,986	125,986
NAVAL FACILITIES ENGINEERING COMMAND			
COMMAND AND ADMINISTRATION	14,350	15,415	15,415
FIELD OPERATIONS	46,126	47,404	47,404
LOGISTIC SUPPORT	81,901	57,576	57,576
BASE OPERATIONS	178,513	178,729	178,729
CNM HEADQUARTERS			
COMAND AND ADMINISTRATION	26,803	23,543	21,543
FEILD SUPPORT	18,069	25,663	25,663
INDUSTRIAL PREPAREDNESS	4,759	5,316	5,316
EMPLOYEE COMPENSATION	86,820	125,303	96,003
INDUSTRIAL & STOCK FUND SUPPORT	-218,900	-167,986	-167,986
BASE OPERATIONS	255	363	363
CNO			
NARDAC	87,361	107,138	107,138
LOGISTIC SUPPORT	8,774	3,583	3,583
BASE OPERATIONS	7,306	7,906	7,906
SUBTOTAL	5,286,739	6,043,366	5,905,234
TRAINING & MEDICAL			
RECRUIT TRAINING	2,835	3,050	3,050
SPECIALIZED SKILL TRAINING	76,330	94,070	94,070
OFFICER ACQUISITION	34,825	34,839	34,839
PROFESSIONAL DEVELOPMENT EDUCATION	19,070	20,292	20,292
NROTC	23,651	25,872	25,872
FLIGHT TRAINING	220,897	234,440	234,440
TRAINING CARRIER OPERATIONS	23,460	22,394	22,394
OTHER TRAINING SUPPORT	159,367	179,059	179,059
CARE IN REGIONAL DEFENSE FACILITIES	104,849	114,902	114,902
STATION HOSPITALS & MEDICAL CLINICS	133,148	143,143	143,143
DENTAL CARE ACTIVITIES	11,313	12,073	12,073

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
CARE IN NON-DEFENSE FACILITIES	35,133	36,818	36,818
OTHER HEALTH ACTIVITIES	36,386	43,471	43,471
EDUCATION TRAINING-HEALTH CARE	24,561	27,796	27,796
COMMAND-HEALTH CARE	8,541	8,841	8,841
RECRUITING ACTIVITIES	60,903	70,229	62,060
ADVERTISING ACTIVITIES	17,108	23,301	16,470
OTHER PERSONNEL ACTIVITIES	66,569	76,424	76,424
OFF-DUTY & VOLUNTARY EDUC PROG	27,631	28,882	28,882
CIVILIAN EDUCATION PROGRAM	15,546	17,265	17,265
NJROTC	4,713	4,970	4,970
BASE OPERATIONS	606,657	614,727	614,727
SUBTOTAL	1,713,493	1,836,858	1,821,858
ADMINISTRATION			
DEPARTMENTAL ADMINISTRATION			
SECNAV STAFF OFFICES	26,787	29,779	29,779
CNO STAFF OFFICES	26,923	28,167	28,167
SERVICE WIDE SUPPORT			
NAVY FINANCE ACTIVITIES	70,391	75,358	75,358
NAVAL AUDIT SERVICE	20,990	21,989	21,989
NAVAL DATA AUTOMATION COMMAND	8,843	9,258	9,258
PUBLIC AFFAIRS	2,339	2,408	2,408
NON-DISCRETIONARY SUPPORT	23,118	23,044	23,044
MANPOWER MANAGEMENT ACTIVITIES			
CIVILIAN PERSONNEL MANAGEMENT	16,333	16,416	16,416
MANAGEMENT HEADQUARTERS	11,966	13,453	13,453
NAVY MANPOWER AND MATERIAL ANALYSIS CENTERS	14,418	9,222	9,222
NAVAL MILITARY PERSONNEL COMMAND	58,683	78,644	78,644
MILITARY PERSONNEL MANAGEMENT	7,551	7,488	7,488
NAVY FAMILY ALLOWANCE ACTIVITY	2,101	2,175	2,175
GENERAL AND SPECIAL PROGRAM SUPPORT			
REAL PROPERTY MAINTENANCE ACTIVITIES	34,705	34,190	34,190
OTHER BASE OPERATIONS	77,512	98,200	98,200
SPECIAL PROGRAM SUPPORT	45,096	45,317	45,317
SUBTOTAL	447,756	495,108	495,108
SUPPORT TO OTHER NATIONS	196	195	195
OTHER REDUCTIONS			
FUEL	---	---	-156,400
FOREIGN CURRENCY	---	---	-123,200
CONTRACT STUDIES	---	---	-2,900
CONSULTANTS	---	---	-49,600
TRAVEL	---	---	-29,200
EUROPE FORCE STRUCTURE	---	---	-10,200
RAPID DEPLOYMENT FORCE	---	---	-31,200
TOTAL, O&M NAVY	19,552,067	22,056,800	21,043,400

COMMITTEE ADJUSTMENTS

Trident sub support.—The Committee recommends a reduction of $21,000,000 to command and control systems support and repair items for which prior-year budget levels are adequate. Navy budgeted a 50-percent increase over fiscal year 1982 for the first full year of Trident sub operations, but previous ship delivery slippages created excess stock and higher personnel levels than required at the Trident submarine base.

Trident weapon systems support.—Major increases were requested for improvements to reporting and evaluation systems and support for a vessel to test Trident systems, even though operational Tridents will be deployed. The recommended reduction of $15,000,000 will still allow for a program increase of over 30 percent.

Pacific fleet sub support.—The Committee recommends a reduction of $2,800,000 to the request for fleet support. Prior-year funding provided Trident refit equipment which has been converted to stock because of the delay in ship delivery. Current stock levels are adequate to support new fleet requirements for Tridents.

Base operations—Strategic.—Increases were requested for base operations at the Bangor, Wash., sub base and planning for the Kings Bay, Ga., Trident facility. Since base operation support has remainded constant due to the annual expectation of Trident arrivals and many fiscal responsibilities have been transferred to the fleet, the Committee recommends a reduction of $8,700,000. The Kings Bay facility is not expected to activate until 1987. Planning for this objective should be accommodated within funding at prior-year levels.

S–3 aircraft operations.—The Committee recommends a reduction of $8,400,000 to constrain S–3 flying hours to the current rate of 450 annually per aircraft compared to the budgeted 527. A budgeted increase of over 9,000 flying hours, or 18 percent over the current year, assumes planned mission capable rate improvements for S–3 antisub warfare aircraft. Current mission capable rates are improving modestly, but fully mission capable rates have plummeted to an all-time low. Problems are still evident with engines, auxiliary power units, and landing gear systems. This reduction is consistent with previous congressional action.

Navy flying hours.—The Committee recommends a reduction of $25,000,000 and directs that the flying hour program be constrained to the current level of 1.8 million hours. This defers the budgeted 81,000-hour increase, which followed a 60,000-hour increase in fiscal year 1982. Since the budget was submitted, Navy has discovered that the aircraft repair, overhaul, and modification program exceeds the budgeted level. The announced objective of eliminating the depot maintenance backlog is no longer achievable. An enhanced flying hour program would be difficult because more aircraft will require maintenance attention. The increased operations will beget a faster consumption of spares and repair parts and will aggravate depot maintenance planning objectives. The reduction partially decreases funding for the requested flying hours. Any additional savings that accrue from constraining flying hours at the current level should be applied to aircraft maintenance requirements.

Base operations—General activities.—A reduction of $6,000,000 reflects authorization action and savings achieved by contracting for aircraft target and drone services in lieu of in-house performance.

Fleet command and staff.—The 3d Fleet Command, unlike any other fleet command, is responsible for test range user fees. The Committee recommends a reduction of $13,700,000 to delete all funding associated with 3d Fleet user fees and transfers financial responsibility to the combat fleet support function.

Base operations—General Purpose Forces.—The authorization reduction of $15,000,000 is achieved by transferring 3d Fleet test range user fees to combat fleet support with no funding increase. The Committee directs the Navy to retain $2,300,000 for the continued operation of the Naval Arctic Research Laboratory.

Component calibrations.—The Committee recommends a reduction of $5,500,000 to slow the initiative to reduce the backlog of noncritical calibrations. No aircraft maintenance of this nature was performed in fiscal year 1982.

Decommissioned ships.—The Committee recommends a reduction of $123,000,000 as savings from decommissioning 22 active ships by the end of fiscal year 1983. This is a net operational cost saving identified by Navy from deactivating 17 destroyers and 5 amphibious ships. Additional savings from canceled overhauls are reflected elsewhere in the report.

Technical support.—The Committee recommends denial of $5,100,000 for additional contractor engineering technical services to support aircraft. Navy officials have consistently argued that improvements in military personnel retention would yield a decreasing need for contractor services aboard carriers and at naval stations. Retention rates in fiscal year 1982 and continued improvements should decrease the impact of the reduction.

JCS exercises.—Last year the financial responsibility for JCS exercises was transferred to the Joint Chiefs of Staff line item in the Defense agencies account. A reduction of $2,900,000 completes the transfer of expenses for stevedoring and port handling for these exercises.

Transfer of LKA ships.—The Committee recommends an increase of $4,600,000 to reflect the transfer of four amphibious cargo ships from the reserve to the active fleet. An offsetting reduction of this amount is contained in the Navy Reserve account.

Ship overhauls and repair.—The Committee recommends a reduction of $175,800,000 resulting from the decision to deactivate four destroyers and implementation of an authorized reduction which will defer three ship overhauls to fiscal year 1984. During the Committee's hearings on the fiscal year 1983 budget requests, it became increasingly apparent that the Navy's shipbuilding, overhaul, repair, and modernization plans were overly ambitious in light of historical experience. The planned number of complex vessel overhauls would exceed previous demonstrated performance. Prior-year overhaul programs of lesser complexity resulted in slippages in induction dates and expansion of overhaul duration. The cancellation of four overhauls due to deactivation and the

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slippage of three additional vessels will ease the industrial workload in this fiscal year. Even with this revised schedule, the Committee remains concerned and requests that the Navy report on a quarterly basis regarding actual inductions and obligations compared to the plan. Further, the Committee expects a Navy report to accompany the fiscal year 1984 budget submission which addresses the total demand on the shipbuilding industrial base resulting from naval and commercial new construction and repair.

Fleet modernization program.—The Committee recommends a reduction of $60,000,000, or about 7 percent of the budgeted program, as an estimate of the modification installations which would be deferred because specifications, drawings, and appropriate material would be unavailable as has been the case in the past. A recent GAO report demonstrated that approximately 35 percent of fiscal year 1980 ship alteration funding had been diverted to unbudgeted work. Most of the deferred alterations occurred because of overhaul rescheduling. However, GAO determined that roughly 12 percent of the deferrals were caused by late arrival of drawings and specifications, or material was unavailable at the time of the scheduled alteration. Funds were also diverted to cover cost increases for other alterations above the budgeted level. The Committee is disturbed that clearly one-third of the program for which appropriations were provided was not accomplished as planned. A reasonable margin for management flexibility for a program this dynamic is understandable. The historical pattern of budget execution stretches the definition of reasonableness.

Other sea support.—A Naval Audit Service report contended savings could be achieved if the cost of provisioning crews of ships in overhaul were considered in lot bidding for industrial work. These are normal costs attendant to ship overhauls, but financial responsibility is not within the purview of organizations which schedule ship overhauls and requirements. Therefore, the Committee directs that this requirement be transferred to the general purpose forces activity under fleet recognizance. A reduction of $3,000,000 assumes contract savings resulting from this change. The Committee is confident Navy management has the resiliency to achieve this objective.

Procurement operations.—Over $130,000,000 was budgeted for the cost of Government representatives at commercial shipyards. The supervisors of shipbuilding staffs are responsible for contract administration, some engineering efforts, and quality assurance. These are all costs attendant to the construction and overhaul of naval ships. Over the last few years, a multitude of performance measures have been developed to match workload to the budget requests with varying degrees of success. The Committee requests that the Navy review the feasibility of factoring these Government overhead costs into the estimates for shipbuilding programs within the procurement accounts. The Navy's advice and counsel will be the foundation of possible transfer in the future.

Aircraft reworks facilities.—The Committee requests that the Navy review the workload at air rework facilities to determine the most cost-efficient alternatives. The Navy currently operates six major facilities.

These are industrially funded activities which perform scheduled overhaul, repair, and installation of modifications for aircraft. In addition, there are a number of commercial facilities which compete for a portion of the annual program. In an effort to maintain a wartime mobilization base of industrial capacity, the Navy has retained all of the in-house capability. However, the workload for these facilities is frequently less than capacity. The successful consolidation of a number of Air Force industrial activities may be an appropriate guideline for this review.

Chief of Naval Material (CNM) Headquarters.—Earlier this year Navy complied with the Committee's request to report organization alternatives to the present CNM headquarters structure. It is the Committee's view that this review fell short of the objective. The report was largely a summation of prior reviews pertaining to the entire Navy systems command structure for acquisition program management. Despite authoritative testimony received by the Committee on this matter which recommended the disestablishment of the CNM headquarters, the Committee is gratified to note that Navy has made some progress in diminishing the size of this organization.

In assuming the corporate management role over a number of specialized systems command, the CNM headquarters maintained over 700 end strength and nearly $30,000,000 in fiscal year 1981 to carry out its overhead function. The fiscal year 1983 budget was based on a decrease in personnel to slightly less than 500 and $23,500,000 to retain the current organization. No less than three designated project management offices are planned for disestablishment. As a means to encourage further divetiture of functions from this headquarters, the Committee recommends a reduction of $2,000,000. Last year Congress deleted funds requested for a cost estimating function at the CNM headquarters level. Despite this direction, an increase was budgeted in fiscal year 1983 to continue this initiative. If the Navy should persist with this program, it should be accommodated within funds available and performed by Government personnel in lieu of contract performance.

Classified material disposal.—Navy is directed to reopen its demonstration program to determine the feasibility of shredding classified materials. Navy recently terminated this program despite initial test results which determined that a self-contained waste processing facility was efficient and cost-effective in disposing of certain classified ordnance and electronics materials. The Committee looks forward to the results of the renewed demonstration project as a means to achieve future cost savings.

Program for afloat college education (PACE).—The Committee is concerned that the inclusion of this program in the tuition assistance limitation has seriously affected the morale of shipboard personnel since this program has long been considered a fringe benefit to military in off-duty hours. Accordingly, the Committee recommends bill language excluding PACE from the maximum 75 percent tuition reimbursement. Tuition for this program shall be funded from within resources available.

Other authorization reductions.—The Committee recommends reductions totaling $107,900,000 in accordance with authorization action for the TAKX charter and conversion program, classified programs, aircraft reworks, and recruiting and advertising.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

Operation and maintenance, Navy

	Committee recommendation
Foreign currency revaluation	−$123,200,000
Fuel repricing	−156,400,000
Contracting studies moratorium	−2,900,000
Disability compensation	−21,700,000
Contract consultants	−49,600,000
Travel	−29,200,000
Unemployment compensation	−7,600,000
Europe force structure	−10,200,000
Classified programs	−2,900,000
Recruiting and advertising	−15,000,000
Components calibrations	−5,500,000
JCS exercises	−2,900,000
Trident sub support	−21,200,000
Trident weapon system support	−15,000,000
Pacific fleet support	−2,800,000
Base operations—Strategic	−8,700,000
S–3 flying hours	−8,200,000
Navy flying hour program	−25,000,000
Fleet commands and staff	−13,700,000
Ship overhauls	−175,800,000
Fleet modernization program	−60,000,000
Other sea support	−3,000,000
Decommissioned ships	−123,200,000
Technical support	−5,100,000
CNM Headquarters	−2,000,000
TAKX charter and conversion program	−40,000,000
Aircraft reworks	−50,000,000
LKA transfer	+4,600,000
Base operations—General activities	−6,000,000
Rapid Deployment Force	−31,200,000

Navy Stock Fund

1982 appropriation	$9,435,000
1983 budget estimate	354,372,000
Committee recommendation	354,372,000

The Committee recommends an appropriation of $354,372,000, the same as the budget estimate.

This appropriation provides for the purchase of war reserve material. The Navy Stock Fund purchases consummable items—repair parts, clothing, and other materials—and holds them for use in the event of an outbreak of hostilities.

Operation and Maintenance, Marine Corps

1982 appropriation	$1,203,040,000
1983 budget estimate	1,481,800,000
Committee recommendation	1,403,300,000

The Committee recommends an appropriation of $1,403,300,000. This is $78,500,000 below the budget estimate.

This appropriation provides for the activities of the active Marine Corps, including the pay of civilian personnel, operation and maintenance of aircraft, equipment and bases, training, and all associated activities.

The following table provides a program comparison of the Committee recommendation to the budget request.

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
O&M, MARINE CORPS			
GENERAL PURPOSE FORCES			
LAND FORCES	220,340	280,556	280,556
NAVAL FORCES	10,217	14,863	14,863
TACTICAL AIR FORCES	32,562	35,153	35,153
BASE OPERATIONS	463,162	520,890	520,890
BASE COMMUNICATIONS	9,982	10,330	10,330
SUBTOTAL	736,263	861,792	861,792
CENTRAL SUPPLY AND MAINTENANCE			
SUPPLY DEPOT OPERATIONS	30,328	43,283	43,283
INVENTORY CONTROL POINT	14,240	29,807	29,807
TRANSPORTATION OF THINGS	37,346	64,282	43,903
CENTRALLY MANAGED PROGRAMS	29,305	45,403	48,903
COMMISSARY STORES OPERATIONS	12,074	12,405	12,405
EQUIPMENT MAINTENANCE	68,785	112,191	105,391
STOCK AND INDUSTRIAL FUND PASS THROUGH	-5,779	2,700	2,700
BASE OPERATIONS	41,002	46,788	46,788
BASE COMMUNICATIONS	1,907	2,002	2,002
SUBTOTAL	229,208	358,861	335,182
TRAINING & MEDICAL			
RECRUIT TRAINING	4,239	4,839	4,839
SPECIALIZED SKILL TRAINING	7,494	8,814	8,814
PROFESSIONAL TRAINING	1,164	2,273	2,273
OFFICER ACQUISITION	236	259	259
FLIGHT TRAINING	51	54	54
TRAINING SUPPORT	14,684	25,893	23,693
RECRUITING	32,447	39,886	37,386
ADVERTISING	12,185	16,203	13,703
OFF DUTY EDUCATION	4,465	4,344	4,344
MARINE CORPS JUNIOR RESERVE OFFICER TRAINING CORPS	1,732	2,545	2,545
OTHER PERSONNEL SUPPORT	763	821	821
BASE OPERATIONS	81,044	82,683	82,683
BASE COMMUNICATIONS	1,465	1,555	1,555
SUBTOTAL	161,969	190,169	182,969
ADMINISTRATION			
DEPARTMENTAL	4,310	4,865	4,865
NON-DEPARTMENTAL	16,202	21,062	21,062
OTHER	32,791	38,068	38,068
BASE OPERATIONS	3,476	5,582	5,582
BASE COMMUNICATIONS	1,321	1,401	1,401
SUBTOTAL	58,100	70,978	70,978

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[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
OTHER REDUCTIONS			
FOREIGN CURRENCY	---	---	-37,100
CONTRACT STUDIES	---	---	-600
CONSULTANTS	---	---	-11,300
TRAVEL	---	---	-10,500
UNEMPLOYMENT COMPENSATION	---	---	-3,500
TOTAL, MARINE CORPS	1,185,540	1,481,800	1,367,921

LVT-7 repairs.—Concurrent with LVT-7 repairs is a procurement program to extend the service life (SLEP) of these landing vehicles. The SLEP program for 307 vehicles is capable of inducting vehicles planned for repair. The Committee recommends a reduction of $6,800,000 to cancel the repair of the budgeted 76 vehicles.

Disability compensation.—Reductions accrued through the provision constraining payments to the Federal employee injury compensation fund as pertains to the Marine Corps are reflected in the Navy operating account.

Authorization reductions.—The Committee recommends a reduction of $6,500,000 from authorization decreases to civilian personnel and recruiting and advertising.

All Committee recommended adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

Operation and maintenance, Marine Corps	*Committee recommendation*
Foreign currency revaluation	-$37,100,000
Contract studies moratorium	-600,000
Houshold goods storage	-1,800,000
Environmental leave	-200,000
Emergency leave	-200,000
Contract consultants	-11,300,000
Travel	-10,500,000
Recruiting and advertising	-5,000,000
LVT-7 repairs	-6,800,000
Unemployment compensation	-3,500,000
Civilian personnel	-1,500,000

MARINE CORPS STOCK FUND

1982 appropriation	$13,334,000
1983 budget estimate	11,812,000
Committee recommendation	11,812,000

This appropriation provides for purchase of war reserve material. The Marine Corps Stock Fund purchases consummable items—repair parts, clothing, and other materials—and holds them for use in the event of an outbreak of hostilities.

The Committee recommends an appropriation of $11,812,000, the same as the budget estimate.

Operation and Maintenance, Air Force

1982 appropriation	$16,189,493,000
1983 budget estimate	17,944,700,000
Committee recommendation	17,071,200,000

The Committee recommends an appropriation of $17,071,200,000. This is $873,500,000 below the budget estimate.

This appropriation provides for the activities of the active Air Force, including the pay of civilian personnel, operation and maintenance of aircraft, equipment and bases, training, direct care medical programs, and all associated activities.

The following table provides a program comparison of the Committee recommendation to the budget request.

[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
O&M, AIR FORCE			
STRATEGIC FORCES			
AIRCRAFT	1,397,589	1,179,173	1,169,173
MISSILES	98,709	138,241	128,241
OTHER OFFENSIVE OPERATIONS	58,869	69,080	69,080
TELECOMMUNICATIONS & COMMAND CONTROL	105,748	108,353	108,353
BASE OPERATIONS-STRAT. OFF	595,377	603,262	597,262
SURVEILLANCE & WARNING-RADARS	268,630	295,190	295,190
SURVEILLANCE SATELLITES	119,986	134,163	134,163
OTHER DEFENSIVE OPERATIONS	141,007	143,625	143,625
TELECOMMUNICATIONS & COMMAND CONTROL	80,423	91,961	91,961
BASE OPERATIONS-STRAT. DEF	326,472	321,500	316,500
SUBTOTAL	3,192,810	3,084,548	3,053,548
GENERAL PURPOSE FORCES			
TACTICAL FIGHTERS AND WEAPONS	1,636,609	1,683,142	1,653,142
TACTICAL RECONNAISSANCE, ELECTRONIC WARFARE AND SPECIAL OPERATIONS FORCES	105,744	125,672	125,672
JCS EXERCISES	27,888	28,795	28,795
COMBAT SUPPORT	103,061	116,751	116,751
OTHER COMMAND AND CONTROL	175,275	185,832	185,832
OTHER TACTICAL OPERATIONS	91,658	107,649	107,649
MAJOR RANGE AND TEST FACILITY	24,341	34,415	24,840
TAC INTELLIGENCE & SPECIAL ACTIVITIES	126,006	144,235	144,235
TELECOMMUNICATIONS AND COMMAND CONTROL PROGRAM	93,668	97,184	97,184
BASE OPERATING SUPPORT	1,268,315	1,308,923	1,278,023
FOREIGN CURRENCY	-55,408	---	---
SUBTOTAL	3,597,157	3,832,598	3,762,123
INTELLIGENCE & COMMUNICATIONS	1,149,982	1,417,492	1,415,513
AIRLIFT			
ASSIGNED AIRLIFT MISSION	557,730	565,793	562,793
MISSION SUPPORT	190,290	192,437	190,137
COMMAND SUPPORT	15,423	15,419	15,419
TELECOMMUNICATIONS AND COMMAND CONTROL PROGRAM	18,907	21,057	21,057
BASE OPERATING SUPPORT	397,118	407,507	389,107
SUBTOTAL	1,179,468	1,202,213	1,178,513
CENTRAL SUPPLY AND MAINTENANCE			
SUPPLY DEPOTS	250,949	274,227	274,227
INVENTORY CONTROL	376,201	411,231	411,231
PROCUREMENT OPERATIONS	139,636	152,820	152,820
DEPOT MAINTENANCE	2,273,934	2,920,196	2,691,896
MODERNIZATION	445,414	465,828	465,828
INDUSTRIAL FUND & STOCK FUND SUPPORT	-286,405	-26,614	-26,614
TRANSPORTATION	585,912	617,556	617,556
MISCELLANEOUS LOGISTIC SUPPORT ACTIVITIES	229,306	246,955	233,455
PRINTING/PUBLICATIONS DISTRIBUTION	47,147	50,070	50,070

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[In thousands of dollars]

	1982 Appropriation	Budget estimate	Committee recommendation
TEST RANGES	203,420	214,445	214,445
COMMISSARY OPERATIONS	162,960	165,635	165,635
COMMAND	58,195	61,024	61,024
TELECOMMUNICATIONS AND COMMAND CONTROL PROGRAM	24,179	25,996	25,996
BASE OPERATING SUPPORT	430,389	455,162	452,162
SUBTOTAL	4,891,237	6,034,531	5,789,731
TRAINING & MEDICAL			
RECRUITING AND EXAMINING	47,364	51,335	51,335
RECRUIT AND SPECIALIZED TRAINING	168,843	197,171	197,171
OFFICER ACQUISITION	55,524	66,249	64,249
FLIGHT TRAINING	338,565	342,526	342,526
PROFESSIONAL DEVELOPMENT EDUCATION	34,847	44,329	42,829
EDUCATION AND TRAINING HEALTH CARE	26,635	28,827	28,827
OTHER TRAINING AND EDUCATION PROGRAMS	85,757	96,805	96,805
SUPPORT ACTIVITIES	51,471	57,553	57,553
TELECOMMUNICATIONS AND COMMAND CONTRN. PROGRAM	18,312	19,552	19,552
BASE OPERATIONS-TRAINING	394,468	452,802	436,502
HOSPITAL OPERATIONS	413,097	475,799	475,799
CARE IN NON-DEFENSE FACILITIES	31,881	33,753	33,753
TELECOMMUNICATIONS AND COMMAND CONTROL PROGRAM	3,902	4,828	4,828
BASE OPERATIONS-MEDICAL	92,581	106,553	106,553
SUBTOTAL	1,763,247	1,978,082	1,958,282
ADMINISTRATION			
DEPARTMENTAL HEADQUARTERS	71,813	75,902	75,902
SERVICE-WIDE SUPPORT	193,872	230,906	230,906
PERSONNEL ACTIVITIES	39,246	42,409	42,409
OTHER SUPPORT ACTIVITIES	11,107	10,518	10,518
TELECOMMUNICATIONS AND COMMAND CONTROL PROGRAM	7,439	7,677	7,677
BASE OPERATING SUPPORT	18,417	21,110	21,110
SUBTOTAL	341,894	388,522	388,522
SUPPORT OF OTHER NATIONS	8,124	6,807	6,807
OTHER REDUCTIONS			
FOREIGN CURRENCY	---	---	-165,600
FUEL	---	---	-259,000
TRAVEL	---	---	-36,600
RAPID DEPLOYMENT FORCE	---	---	-20,500
TOTAL, O&M AIR FORCE	16,123,919	17,944,793	17,071,339

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Transport lease.—The Air Force plans to phase out C–140 multipurpose transports and lease aircraft to assume the mission during fiscal year 1983. A total of $9,000,000 was budgeted for an annualized contract cost. Since the award date has now slipped to March, the Committee recommends a reduction of $3,000,000 to reflect this shorter performance duration.

The replacement aircraft for the current fleet of aging C–140's will support the transportation requirements of the President, Vice President, senior Government officials, and foreign dignitaries, including heads of state. The safety and security requirements of this application and the importance of presenting the best possible image of U.S. industry demand that the aircraft selected to perform this mission be manufactured in the United States by a U.S. firm. In view of current fiscal austerity, the aircraft selected must not only be able to meet the stated requirement to carry at least 14 passengers over transcontinental range in safety and comfort but must also be cost effective in terms of total life cycle expense.

Base operations—Airlift.—During the last 2 years roughly 4 percent of base operations supply funding has been reprogramed to higher priorities. A reduction of $3,000,000 adjusts the program to reflect historical trends.

WWMCCS joint program management office.—The Committee recommends denial of $2,000,000 identified for program office modernization. Funds were requested to establish an oversight program management office for worldwide military command and control systems (WWMCCS). Office supplies, furniture, travel, and contractor support costs were identified as the expense to establish this joint management office. Requirements of this nature appear to be amply funded under other WWMCCS account lines.

Contract range.—A reduction of $9,600,000 assumes savings from contract conversion of the Nellis Air Force Base threat radar test range. Air Force claims a decrease of 400 personnel, but cost avoidance estimates were not reflected in the justification.

Base operations—General Purpose Forces.—The Committee recommends a $3,400,000 reduction against foreign noncombat auxiliary reserve equipment and family support centers. The $2,000,000 equipment budget was poorly defined beyond the objective of providing German reservists with U.S. supplied equipment in wartime. The decrease for family support centers will slow the initiative to introduce these services at 25 bases worldwide.

Civil engineering squadrons.—The Committee recommends a decrease of $4,000,000 to cancel establishment of an additional heavy repair engineering unit. These so-called Red Horse squadrons are designed to be mobile. Two of the six established units are in the United States supporting training exercises. In lieu of establishing a new deployable unit, the Committee recommends that U.S. units be called upon when necessary.

C–130 simulators.—The Committee recommends denial of $2,300,000 budgeted for C–130 simulator support. Additional funding was budgeted for simulators despite a large increase in C–130 flying hours for actual training. Moreover, the Air Force has problems in keeping these simulators on line for any extended period of time. It is unlikely that funds for routine maintenance support can be productively used.

Depot maintenance industrial fund.—The Committee concurs in the authorization reduction of $190,000,000 for the depot maintenance industrial fund. The Committee understands it would be extremely difficult to shift contract functions out of industrial fund financing in accordance with the Committee's direction last year. This objective was to have been accomplished by the close of fiscal year 1983. Although the remaining allowance achieves the goal of appropriated levels equating to contract liability, the Committee is still not entirely convinced there is a compelling reason for retaining contract financing in the industrial fund. Therefore, the Committee requests that the General Accounting Office review the merits of the current financing procedures in lieu of direct appropriation. If it is determined the contract depot maintenance function should be financed by direct appropriation, GAO should recommend the earliest possible date for this transition.

Cadin Pinetree air defense system.—Last year the Committee directed Air Force to begin reviewing the agreement with the Canadian Government to establish greater cost accountability for the Cadin-Pinetree radar sites. The figures submitted by the Canadians document the sharply escalating costs of operating these sites. Real property maintenance, for instance, has increased 83 percent. Due to a Canadian Government pricing policy change, fuel prices will increase over 40 percent. Personnel posting costs have increased over 60 percent in the past 2 years. Preliminary indications are costs borne by the United States are likely to exceed $7,300,000 above the $58,300,000 budgeted in fiscal year 1983. The Committee strongly urges the Air Force to renegotiate a cost-sharing agreement with the Canadian Government. In view of the rising and uncontrollable costs of these radar sites, the Committee would support an Air Force decision to terminate use of Cadin-Pinetree sites at the end of fiscal year 1983.

CT–39 replacement aircraft.—The Committee is informed the Air Force is considering a competitive charter of suitable aircraft to replace the aging CT–39 transport. The existing fleet of these business-type jet aircraft are nearing the end of their economically useful life. The Committee encourages the Air Force to pursue this initiative and, upon analysis, should a charter program offer cost advantages over procurement, the Air Force may elect such an alternative within existing contractual authority. The Air Force is requested to keep the Committee apprised of developments and consult the Committee on any alternatives.

Authorization reductions.—The Committee concurs in the authorization reduction of $85,000,000 for limitations on base operations, real property maintenance, airwing activation deferrals, personnel support, Air Force Academy operations, and professional development education.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

Operation and maintenance, Air Force

	Committee recommendation
Foreign currency revaluation	−$165,600,000
Fuel repricing	−259,000,000
Contracting studies moratorium	−5,400,000
Household goods storage	−100,000
Environmental leave	−500,000
Emergency leave	−3,200,000
Disability compensation	−5,400,000
Contract consultants	−48,300,000
Travel	−36,600,000
Unemployment compensation	−8,100,000
C-140 lease program	−3,000,000
Base operations—Airlift	−3,000,000
WWMCCS Project Office	−2,000,000
Contract range	−9,600,000
Base operations—General purpose forces	−3,400,000
Civil engineering squadrons	−4,000,000
C-130 simulators	−2,300,000
Depot maintenance industrial fund	−190,000,000
Real property maintenance	−20,000,000
Air wing activation deferral	−40,000,000
Base operations	−20,000,000
Military personnel support	−1,500,000
Air Force Academy operations	−2,000,000
Professional development education	−1,500,000
Europe force structure	−18,500,000
Rapid deployment force	−20,500,000

Air Force Stock Fund

1982 appropriation	$78,800,000
1983 budget estimate	161,600,000
Committee recommendation	161,600,000

This appropriation provides for purchase of war reserve material. The Air Force Stock Fund purchases consummable items—repair parts, clothing, and other materials—and holds them for use in the event of an outbreak of hostilities.

The Committee recommends an appropriation of $161,600,000, the same as the budget estimate.

Operation and Maintenance, Defense Agencies

1982 appropriation	$5,156,000,000
1983 budget estimate	5,754,900,000
Committee recommendation	5,665,800,000

The Committee recommends an appropriation of $5,665,800,000. This is $89,100,000 below the budget estimate.

This appropriation finances the operation and maintenance costs of the Office of the Secretary of Defense, the Office of the Joint Chiefs of

Staff (JCS), nine Defense-wide agencies, and several field activities. Included are funds for American Forces Information Service, Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), Tri-Service Medical Information System (TRIMIS), Dependents Education, Uniformed Services University of the Health Sciences (USUHS), and the Washington Headquarters Service.

The following detail table provides a program comparison of the Committee recommendation to the budget request.

[In thousands of dollars]

	1982 estimate	1983 budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, AGENCIES			
Defense Investigative Service	86,597	98,184	97,380
Defense Mapping Agency	336,724	371,325	368,931
Defense Nuclear Agency	34,186	41,419	40,281
Defense Communications Agency	166,478	192,554	189,760
Intelligence related	1,077,799	1,229,225	1,197,456
Defense Logistics Agency	1,343,136	1,388,976	1,368,576
Defense Audio Visual Agency	17,077	21,202	21,180
American Forces Information Service	32,366	37,000	57,825
CHAMPUS	964,869	1,079,560	1,195,864
Medical information system	46,846	50,906	50,587
Washington Headquarters Service	55,563	64,616	64,606
Organization of Joint Chiefs of Staff	291,167	363,503	263,057
Uniformed Services University of the Health Sciences	25,944	27,833	26,935
Defense Contract Audit Agency	108,237	115,730	111,098
Defense Audit Service	20,211	23,320	22,465
Office of Economic Adjustment	2,144	2,625	2,234
Office of the Secretary of Defense	100,995	107,307	100,060
Dependents education	489,708	537,949	507,019
Defense legal services		2,166	2,166

Readiness fund.—The Committee recommends denial of $100,000,000 for a new line item to establish a contingency fund for unified Commanders-in-Chief (CINC). No other justification for this reserve fund is available other than unforeseen readiness requirements. In keeping with the philosophy that financial flexibility is important in the O. & M. account, any unforeseen requirements should be accommodated by the military services.

Intelligence programs.—The Committee recommends a reduction of $19,900,000 explained in the classified annex to the report.

Civilian personnel.—The Committee reluctantly concurs in the authorization reduction of $29,600,000 for Defense Agencies civilian personnel. A portion of the reduction is against the Defense Logistics Agency management of consumable items. It has not been thoroughly demonstrated that retaining portions of consumable item management at the military service level is the most cost-efficient alternative.

The authorization level provides for a limited consolidation of consumable item management. Although the authorization recognized

that some portion of consumable items management would be retained at DLA, the funding allowance was not adequate for this purpose. The Department is requested to report to all interested committees prior to implementing the transfer of item management back to the military services. This report should identify the weapons systems sensitive items, describe improvements in readiness to be gained by the return of any items, and analyze the cost impact of any change to the current plan.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

Operation and maintenance, Defense Agencies	*Committee recommendation*
Foreign currency revaluation	−$32,700,000
Fuel repricing	−200,000
Contract studies moratorium	−1,200,000
Disability compensation	−4,000,000
Contract consultants	−9,900,000
Travel	−10,800,000
Unemployment compensation	−800,000
Civilian personnel	−29,600,000
Classified programs	−19,900,000
CINC Readiness Fund	−100,000,000
CHAMPUS	+120,000,000

DEFENSE STOCK FUND

1982 appropriation	$69,000,000
1983 budget estimate	160,500,000
Committee recommendation	160,500,000

The Committee recommends an appropriation of $160,500,000, the same as the budget estimate.

This appropriation provides funds for purchase of war reserve material.

OPERATION AND MAINTENANCE, ARMY RESERVE

1982 appropriation	$670,161,000
1983 budget estimate	686,400,000
Committee recommendation	692,200,000

The Committee recommends an appropriation of $692,200,000. This is $5,800,000 above the budget request.

This appropriation provides for the activities of the Army Reserve, including the pay of civilian personnel, operation and maintenance of facilities and aircraft, support of training activities, and all associated activities.

The following detail table provides a program comparison of the Committee recommendation to the budget request.

[In thousands of dollars]

	1982 estimate	Budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, ARMY RESERVE			
Mission forces	416,591	423,610	428,010
Depot maintenance	8,458	7,741	7,741
Communications	10,812	11,485	11,485
Base operations	154,719	161,766	163,166
Recruiting and advertising	40,374	44,648	44,648
Management support	32,205	37,150	37,150

Authorization items.—The Committee concurs in the authorization increases for minor construction, automated pay systems, Capstone training, and stock funded equipment. A total of $11,700,000 above the budget estimate is recommended for these purposes.

COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

Operation and maintenance, Army Reserve	*Committee recommendation*
Fuel repricing	−$900,000
Travel	−5,000,000
Minor construction	+700,000
Automated pay system	+1,000,000
Capstone training	+1,000,000
Stock funded equipment	+9,000,000

Operation and Maintenance, Navy Reserve

1982 appropriation	$574,387,000
1983 budget estimate	653,000,000
Committee recommendation	662,200,000

The Committee recommends an appropriation of $662,200,000. This is $9,200,000 above the budget request.

This appropriation provides for the activities of the Navy Reserve, including the pay of civilian personnel, operation and maintenance of facilities and aircraft, support of training activities, and all associated activities. Costs of operating the Marine Reserve Air Wing are also included.

The following detail table provides a program comparison of the Committee recommendation to the budget request.

[In thousands of dollars]

	1982 estimate	1983 budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, NAVY RESERVE			
Naval air forces	217,118	202,125	208,425
Surface support forces	4,948	5,193	5,193
Ship operations	53,889	45,583	40,983
Ship maintenance	67,818	140,356	140,356
Overhaul and modernization	2,725	945	945
Special combat support forces	2,880	2,881	2,881
Fleet operations support	1,080	1,242	1,242
Aircraft maintenance	87,906	95,010	103.710
Contractor engineering tech services	8,609	10,046	10,046
Management headquarters	4,257	4,419	4,419
Base operations	132,510	146,481	145,281

LKA ship transfer.—The Committee recommends a reduction of $4,600,000 to reflect the transfer of four LKA amphibious cargo ships from the reserve to the active fleet. The corresponding increase is reflected in the Navy O. & M. account.

C–9 lease program.—The Committee recommends an increase of $6,300,000 to cover leasing C–9 aircraft through fiscal year 1983. These are replacements for the C–118.

Aircraft modifications.—The Committee concurs in the authorization increase of $8,700,000 and funds are provided for the installation of aircraft modifications.

COMMITTEE ADJUSTMENTS

All committee adjustments recommended are summarized in the following table:

Operation and maintenance, Navy Reserve	*Committee recommendation*
Travel	−$1,200,000
LKA transfer	−4,600,000
C–9 lease	+6,300,000
Aircraft modifications	+8,700,000

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

1982 appropriation	$40,444,000
1983 budget estimate	48,415,000
Committee recommendation	51,115,000

The Committee recommends an appropriation of $51,115,000. This is $2,700,000 above the budget request.

This appropriation provides for the activities and training of the units of the selected reserve of the Marine Corps, including the pay of civilian personnel and all associated activities.

All Committee recommended adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

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[In thousands of dollars]

	1982 estimate	1983 budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, MARINE CORPS RESERVE			
Mission forces	19,096	24,734	27,434
Depot maintenance	1,349	1,515	1,515
Other activities	19,854	22,166	22,166

Readiness improvements.—Committee allowance provides an authorized $2,700,000 increase for equipment, consumable supplies, airlift support, and transportation.

Operation and Maintenance, Air Force Reserve

1982 appropriation	$679,254,000
1983 budget estimate	766,300,000
Committee recommendation	766,300,000

The Committee recommends an appropriation of $766,300,000, the same as the budget request.

This appropriation provides for the activities of the Air Force Reserve, including the pay of civilian personnel, operation and maintenance of facilities and aircraft, support of training activities, and all associated activities.

All Committee recommended adjustments to the House bill and budget estimate, including those not specifically addressed in this report, are summarized in the following table:

[In thousands of dollars]

	1982 enacted amount	Budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, AIR FORCE RESERVE			
Aircraft operations	465,962	528,938	528,938
Nonflying operations	10,329	14,391	14,391
Depot maintenance	80,042	101,375	101,375
Base operations	85,558	93,082	93,082
Command support	27,863	28,514	28,514

Operation and Maintenance, Army National Guard

1982 appropriation	$1,109,697,000
1983 budget estimate	1,123,900,000
Committee recommendation	1,157,800,000

The Committee recommends an appropriation of $1,157,800,000. This is $33,900,000 above the budget request.

This appropriation provides for the activities and training of the Army National Guard, including the pay of civilian personnel, operation and maintenance of facilities and aircraft, support of training activities, and all associated activities.

All Committee recommended adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

[In thousands of dollars]

	1982 enacted amount	Budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD			
Training operations	138,468	135,726	138,226
Logistical support	748,975	756,318	793,118
Base operations	71,904	88,625	88,625
Depot maintenance	51,758	55,906	55,906
Headquarters and command support	58,138	65,893	65,893
Recruiting support	12,397	13,414	13,414
Medical support	7,810	8,018	8,018
Fuel repricing			-2,700
Disability compensation			-1,200
Travel			-1,500

Logistics support.—An increase of $4,900,000 is recommended to complete the transfer of funds from the Army O. & M. account to provide for the cost of introducing M-1 tanks to an Army National Guard unit in fiscal year 1983. The decrease is reflected under the force modernization program line.

Readiness improvements.—The Committee recommends an increase of $34,400,000 for authorized increases related to readiness improvements.

COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimates, including those not specifically addressed in this report, are summarized as follows:

Operation and maintenance, Air National Guard	*Committee recommendation*
Fuel	-$2,700,000
Disability compensation	-1,200,000
Travel	-1,500,000
M-1 tank support	+4,900,000
Chemical defense equipment	+10,000,000
Medical equipment	+3,000,000
Cold weather clothing and equipment	+10,000,000
Minor construction	+4,500,000
Camouflage screens	+4,100,000
Repair parts	+2,800,000

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

1982 appropriation	$1,671,218,000
1983 budget estimate	1,761,800,000
Committee recommendation	1,832,600,000

This appropriation provides for the activities of the Air National Guard, including the pay of civilian personnel, operation and maintenance of facilities and aircraft, support of training activities, and all associated activities.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of $1,832,600,000. This is $70,800,000 above the budget request.

All Committee recommended adjustments to the budget estimate, including those not specifically addressed in this report, are summarized in the following table:

[In thousands of dollars]

	1982 enacted amount	Budget estimate	Committee recommendation
OPERATION AND MAINTENANCE, AIR NATIONAL GUARD			
Operation of aircraft	531,752	530,550	526,150
Logistical support	241,008	289,637	364,837
Training support	871,398	937,945	937,945
Servicewide support	3,660	3,668	3,668

KC–135 Re-engining.—The Committee recommends an increase of $68,300,000 for the refurbishment and installation of JT3D engines aboard 28 Air Guard KC–135 aircraft. This increase is partially offset through a savings of $8,700,000 in operating costs while the aircraft in rework. This initiative accompanies procurement increases to acquire B–707 aircraft as described in the Air Force aircraft procurement section of this report.

Equipment.—The Committee recommends an increase of $11,200,000, in accordance with the authorization, for chemical defense and cold weather equipment.

Real property maintenance.—The Committee directs the Air Guard to make necessary repairs to runway ramps at the Selfridge Air National Guard Base, Mount Clemens, Mich., from within appropriated allowances.

COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate, including those not specifically addressed in this report, are summarized as follows:

Operation and maintenance, Air National Guard	*Committee recommendation*
JT3D engine refurbishment and installation	+$68,300,000
KC–135 operations savings	−8,700,000
Chemical defense equipment	+8,200,000
Cold weather equipment	+3,000,000

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

1982 appropriation	$861,000
1983 budget estimate	875,000
Committee recommendation	875,000

This appropriation provides funds for the Board which promotes marksmanship training with military type individual small arms among able-bodied citizens outside the active services of the Armed Forces,

formulates policy governing civilian marksmanship programs, and formulates rules and regulations governing the national trophy matches.

The Committee recommends an appropriation of $875,000, the same as the budget estimate.

Claims, Defense

1982 appropriation	$155,700,000
1983 budget estimate	172,500,000
Committee recommendation	172,500,000

This appropriation provides for the payment of all noncontractual claims against the Department of Defense, as authorized by law, and represents the consolidated requirements of the Secretary of Defense and the Departments of the Army, the Navy, and the Air Force.

The Committee recommends an appropriation of $172,500,000, the same as the budget estimate.

Other proposals suggest reducing this account to obtain leverage in negotiating revised host nation support agreements with West Germany.

Although opportunities exist for greater defense cost sharing between the United States and our allies, alternatives should be actively pursued by the Departments of State and Defense. The Committee believes that the withholding of appropriations for legal and valid claims against the U.S. Government is not the proper way to address the issue.

Court of Military Appeals

1982 appropriation	$2,700,000
1983 budget estimate	3,210,000
Committee recommendation	3,210,000

This appropriation provides for the salaries of the three judges, officers and employees, and other necessary expenses of the Court. The Court, which is established pursuant to the Uniform Code of Military Justice, serves as the appellate court of last resort for the more serious court-martial convictions of military personnel.

The Committee recommends an appropriation of $3,210,000. This is the same as the budget estimate.

TITLE IV

PROCUREMENT

Appropriation Summary

The Committee recommends $83,012,879,000 for Department of Defense procurement programs in fiscal year 1983. This is a decrease of $6,480,235,000 below the budget request and $18,459,394 above the fiscal year 1982 appropriations. Allowances are tabulated below:

[In thousands of dollars]

	Fiscal year 1982 enacted	Fiscal year 1983 request	Committee recommendation
Aircraft procurement, Army	1,911,100	2,745,914	2,444,522
Missile procurement, Army	2,131,200	2,846,600	2,611,600
Procurement of weapons and tracked combat vehicles, Army	3,825,200	5,030,685	4,451,016
Procurement of ammunition, Army	2,381,900	2,633,384	2,123,694
Other procurement, Army	3,721,971	4,567,491	4,207,891
Aircraft procurement, Navy	9,115,800	11,582,300	10,650,100
Weapons procurement, Navy	3,207,100	3,901,600	3,506,300
Shipbuilding and conversion, Navy	8,821,400	18,648,300	16,848,800
Reappropriation			176,200
Other procurement, Navy	3,708,777	3,970,156	3,877,280
Procurement, Marine Corps	1,711,456	2,300,700	2,047,855
Aircraft procurement, Air Force	13,938,998	17,751,600	17,575,500
Missile procurement, Air Force	4,559,550	6,795,900	5,904,800
Other procurement, Air Force	5,385,333	5,839,200	5,556,437
National Guard and Reserve equipment	50,000		200,000
Procurement, defense agencies	518,000	879,284	830,884
Total, title IV, procurement: New budget (obligational) authority	64,987,785	89,493,114	83,012,879

Aircraft Procurement, Army

1982 appropriation	$1,911,100,000
1983 budget estimate	2,745,914,000
Committee recommendation	2,444,522,000

The Committee recommends an appropriation of $2,444,522,000, a decrease of $301,392,000 below the President's budget.

This appropriation provides funding for the acquisition of tactical and utility airplanes and helicopters, including associated electronics and communications equipment and armament; modification of in-service aircraft; ground support equipment; production base support; and depot reparable assemblies, components, and repair parts including spare engines, transmissions, and gear boxes.

The Committee recommendations and the budget estimates are detailed in the following comparative table:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Aircraft:		
C–12D cargo	11,000	
RC–12D recon airplane	41,200	41,200
EH–60A electronic helicopter (Quickfix) advance procurement	33,300	25,400
AH–64 attack helicopter	760,300	710,000
Advance procurement	116,500	115,000
UH–60A utility helicopter (MYP)	508,600	423,000
Advance procurement	207,600	145,900
Modification of aircraft	405,614	383,472
Spares and repair parts	482,500	436,250
Support and equipment facilities	179,300	164,300
Total	2,745,914	2,444,522

COMMITTEE RECOMMENDED ADJUSTMENTS

C–12D cargo aircraft.—The Committee recommends deletion of $11,000,000 requested for the purchase of six C–12D aircraft. These six aircraft were proposed for use within the Defense Attaché Security Assistance Organization and their deferral should have no immediate impact on military readiness. The Committee further understands no follow-on procurement is programed.

The C–12D is a commercial-type, all metal, low wing, twin turboprop, pressurized cabin, passenger/cargo carrying utility aircraft capable of operating under instrument flight conditions day or night, in high density air traffic control zones and in known icing weather conditions.

AH–64 advanced attack helicopter.—The Committee recommends a reduction of $50,300,000 in agreement with the authorizing legislation. This allows more than a fourfold increase in the number of aircraft purchased over last year.

The AH–64 advanced attack helicopter is a twin engine, two-place, fully integrated antiarmor weapon system capable of destroying tanks and other armored vehicles during day or night and under adverse weather conditions.

UH–60A utility tactical transport and EH–60A helicopter.—The Committee recommends a reduction of $85,600,000 for current year procurement and a reduction of $61,700,000 in advance procurement for the Black Hawk helicopter. An additional reduction of $7,900,000 in advance procurement for the EH–60 electronic (Quickfix) helicopter is made. These reductions result from savings realized through the execution of a fiscal year 1982 multiyear contract for the Black Hawk helicopters. The Committee commends the Army's initiative in making these savings and notes recommended funding sustains the production rate at 96 per year as requested in the President's budget. Multiyear procurement for the T–700 engine is approved.

The Black Hawk helicopter is the Army's first true squad-carrying helicopter and is replacing the UH–1 in the air assault, air cavalry, and aeromedical evacuation missions.

Modification of aircraft.—The Committee recommends $383,472,000 for modification of in-service aircraft, $22,100,000 below the President's request. Major modifications include $261,300,000 for the CH–47D Chinook modernization program; $29,500,000 for the AH–1S Cobra helicopters; $8,700,000 for the RC–12D reconnaissance aircraft product improvement program; $16,900,000 for the OV–1D surveillance aircraft; $1,772,000 for the OH–58 observation helicopter; and $9,900,000 for the RV–1D reconnaissance airplane.

The Committee recommends $28,700,000 for the Army helicopter improvement program. This is a reduction of $16,400,000 below the President's request. Requests of $3,200,000 for AH–1 Cobra laser warning receiver modification and $4,300,000 for OH–58 Nap-of-the-Earth communications modification are denied due to their low priority and scheduled termination in fiscal year 1984.

Spares and repair parts.—The Committee recommends $436,250,000 for procurement of spares and repair parts. This reduction of $46,250,000 still provides a 98-percent increase in funding over the fiscal year 1982 level to support future flying hour programs and increased readiness. The Committee has recently learned the Army flying hour programs for fiscal years 1984 and 1985 have been decreased by about 5 percent. As noted elsewhere in this report, the fiscal year 1983 flying hour program will only be funded at the fiscal year 1982 level. These reductions on the flying hour programs make possible, in part, this reduction.

The funds provide for centrally managed, high dollar value, depot reparable assemblies, components, and repair parts such as engines, transmissions, and gear boxes in support of an Army fleet of approximately 750 fixed wing and 8,000 rotary wing aircraft.

Support equipment and facilities.—The Committee recommends $164,300,000 for ground support equipment including air traffic control equipment, avionics, communications equipment and avionics maintenance shelters, tool sets, shop sets, ground handling and servicing equipment, special test and diagnostic equipment; component improvement; industrial facilities; and other production charges. This provides $15,000,000 less than requested for ground support equipment but allows a 38-percent increase over fiscal year 1982.

Missile Procurement, Army

1982 appropriation	$2,131,200,000
1983 budget estimate	2,846,600,000
Committee recommendation	2,611,600,000

The Committee recommends an appropriation of $2,611,600,000. This is $235,000,000 below the President's budget estimate.

This appropriation provides for the procurement of surface-to-air and surface-to-surface missile systems; air defense control and coordination systems; antitank/assault missile systems; modification of in-service missiles and supporting equipment; and related costs such as production base support.

The Committee recommendation is detailed in the following comparative table:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Missiles:		
U.S. Roland	61,300	61,300
Patriot (SAM–D)	805,100	687,300
Stinger	214,600	172,100
Laser Hellfire	249,200	249,200
TOW	145,200	132,000
Pershing II	498,300	498,300
Multiple-launch rocket system (MYP)	368,900	368,900
MLRS advance procurement (CY)	53,200	
Other missile support	4,500	4,500
Modification of missiles	93,000	93,000
Spares and repair parts	233,300	208,000
Support equipment and facilities	120,000	137,000
Total	2,846,600	2,611,600

COMMITTEE RECOMMENDED ADJUSTMENTS

Patriot missile system.—The Committee recommends a reduction of $117,800,000 because of production delays. Currently, deliveries are 60 to 90 days behind schedule. As a result, delivery schedules have been revised by the service and initial operating capability has been slipped 1 month. Based on this revised schedule at least 89 missiles and 2 fire units have been delayed 90 days or more. The Committee recommendation reduces the proposed buy by 89 missiles and 2 fire units while funding deliveries through September 1985 as requested.

Stinger air defense missile.—The Committee recommends a $42,500,000 reduction for Stinger POST missile production, engineering, and facilitization. Procurement funds for the Stinger POST missile are premature, but funds can be reprogramed upon successful completion of the test flight program and approval for production by the Army. Funds to continue development have been added to the R.D.T. & E., Army appropriation.

TOW–II missile.—The Committee recommends a $13,200,000 reduction to reflect anticipated cost savings based on actual savings in fiscal year 1982 procurement. The TOW II missile is a product improved version of the TOW and I–TOW missiles. It is currently the primary long-range antitank weapon used by both ground troops and on the Army's attack helicopters.

Multiple-launch rocket system.—The Committee recommends the full amount requested for fiscal year 1983 production of 23,640 missiles and launchers but does not approve multiyear procurement. Consequently, the request for $53,200,000 in multiyear advance procurement is denied. Because of the size of the total program and the growing popularity of this weapon system in Europe, the Committee directs the Army to obtain a second competitive source of production. With a fiscal year 1984

educational buy, competitive contract awards could then commence no later than fiscal year 1986. To support this competitive strategy, $20,000,000 has been added for production base support. The Army is expected to seek any additional funding requirements through reprograming.

Spares and repair parts.—The Committee recommends $208,000,000 for spares and repair parts for Army missiles. This recommendation maintains program support at nearly the requested level but makes minor adjustments for procurement reductions recommended in Patriot.

Support equipment and facilities.—The Committee recommends a reduction of $3,000,000 for air defense targets, a savings identified by the Army. Production base support has been increased by $20,000,000 for MLRS second source production facilities.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

1982 appropriation	$3,825,200,000
1983 budget estimate	5,030,685,000
Committee recommendation	4,451,016,000

The Committee recommends an appropriation of $4,451,016,000 plus transfer authority for $140,900,000. This is a decrease of $579,669,000 below the President's budget for new budget authority.

This appropriation provides for the procurement of tanks, armored personnel carriers and combat engineer vehicles. Funds are also included for the acquisition of machine guns, grenade launchers, towed and self-propelled guns and howitzers, laser rangefinders, associated training equipment, modification of in-service equipment, investment spares and repair parts and major components, and production base support.

The Committee recommendation and budget estimates are tabulated below:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Tracked combat vehicles:		
Command post carriers M-577A2	23,500	
Armored personnel carrier M-113A2	92,000	92,000
Fighting vehicle system (M-2, M-3)	793,300	783,300
Advance procurement	49,200	49,200
Training devices/IFV/CFV	38,800	38,800
Field artillery ammo support vehicle	106,400	61,000
Medium, full-tracked recovery vehicle, M-88A1	157,800	157,800
M-1 combat tank, 105mm gun	1,457,000	1,211,800
By prior year transfer		(140,900)
Advance procurement	432,300	363,900
Training equipment, M-1	12,600	12,600
Training equipment, M-60	58,200	58,200
Light armored squad carrier	51,700	
Mobile protected gun-cannon vehicle	51,900	25,000
Mobile protected gun-recovery vehicle	7,700	

[In thousands of dollars]

	Budget estimate	Committee recommendation
Modifications of tracked combat vehicles	378,500	319,700
Support equipment and facilities	489,839	519,070
Subtotal	4,200,739	3,692,370
Weapons and other combat vehicles:		
DIVAD gun	521,100	471,100
Advance procurement	74,400	74,400
7.62mm armor machine gun, M–240	26,400	26,400
5.56mm squad automatic weapon	10,500	9,400
Launcher, smoke grenade	3,400	3,400
81mm mortar, XM–252	10,600	.....
9mm personal defense weapon	4,400	.....
Vehicle rapid-fire weapon system (Bushmaster)	33,400	33,400
Magnetic heading set	3,700	.....
MHS–Gyro group	1,500	.....
Modification of weapons and other vehicles	900	900
Support equipment and facilities	139,646	139,646
Subtotal	829,946	758,646
Total	5,030,685	4,451,016

COMMITTEE RECOMMENDED ADJUSTMENTS

TRACKED COMBAT VEHICLES

Field artillery ammo support vehicle.—As a result of the Committee's concern for the maintenance of the Army's only self-propelled howitzer production base, the Committee recommends $61,400,000 for 144 field artillery ammunition support vehicles. The Committee has reviewed the full range of alternatives and is persuaded that this approach is about $29,000,000 less than any other executable solution. The Army has assured the Committee that this program will be continued next year.

This new fully armored support vehicle replaces a lighter 20-year-old unarmored ammo carrier. Moreover, the chassis and power train are the same as the family of self-propelled howitzers which will be in the inventory well into the next century.

M–1 combat tank.—In support of this important program, the Committee recommends $1,211,800,000 in new budget authority plus $140,900,000 transfer of prior-year savings from favorable prices negotiated on previous production contracts. Authority to transfer these funds forward is included in the bill. This recommendation provides for production of at least 720 tanks. As a continuation of increased production rates, advanced procurement funding for 840 M–1's in fiscal year 1984 is recommended. This recommendation is consistent with the Army proposed fiscal year 1984 program. Including the prior-year savings, the Committee's recommendation is $21,900,000 over the program reduction suggested by the Defense Department.

The M–1 tank is the Army's first totally new tank in more than 20 years. It incorporates significant improvements in mobility, armor, and fire control.

Support equipment and facilities.—The Committee recommends an increase of $41,700,000 above the budget request for production base support. This increase will continue the renovation of armament manufacturing (REARM) program underway at the Watervliet and Rock Island arsenals at the fiscal year 1983 programed levels.

The following amounts are recommended in agreement with the authorizing legislation:

[Dollar amounts in thousands]

	Quantity	Amount
Command post carrier		
Bradley fighting vehicles	600	$783,300
Light armored squad carriers		
Mobile protected gun—Cannon vehicles		25,000
Mobile protected gun recovery vehicles		

Modification of tracked combat vehicles and spares.—The Committee recommends $27,200,000 for M–113 to M–113A2 carrier modifications. This provides for a 35-percent increase in this program. The Committee also recommends $60,700,000 for the improved TOW vehicle modification and $40,000,000 for the FIST vehicle modification in agreement with the authorizing legislation. The Committee recommends $371,000,000 for spares and repair parts for combat vehicles. This is a 30-percent increase over the 1982 program and a reduction of some $12,469,000 below the President's request. This reduction adjusts for the changes in the production and procurement program recommended by the Committee.

WEAPONS AND OTHER COMBAT VEHICLES

The Committee recommends $758,646,000 for the weapons and other combat vehicles activity. Adjustments to the request are as follows:

DIVAD gun.—The Committee recommends $471,100,000 for the production of 96 division air defense guns. This represents a 90-percent increase in the procurement quantity over the 1982 level. The Committee recommends a reduction of $50,000,000 from the program's management reserve. The Committee fully supports full funding of procurement programs, but does not agree that management reserves of the relative size included in this low risk program are appropriate. The Committee does recommend the full $74,400,000 requested for the advance procurement of the DIVAD gun.

81mm mortar, XM252.—The Committee denies funding for this new mortar. This mortar has not been classified as ready for production and follow-on procurement is not currently planned.

Personal defense weapon 9mm handgun.—The Committee denies funding of the 9mm handgun procurement starting in fiscal year 1983 in agreement with the authorizing legislation.

Squad automatic weapon (SAW) 5.6mm.—The Committee recommends $9,400,000 for the procurement of the requested quantity of 3,579 weapons. This $1,100,000 reduction reflects anticipated cost savings from favorable pricing in the fiscal year 1982 production contract.

Magnetic heading set and magnetic heading set gyro group.—The Committee does not recommend $5,200,000 requested for these two new start items. This is consistent with the Committee's understanding of the Army's plan not to continue with these programs in 1984 and beyond.

PROCUREMENT OF AMMUNITION, ARMY

1982 appropriation	$2,381,900,000
1983 budget estimate	2,633,384,000
Committee recommendation	2,123,694,000

The Committee recommends an appropriation of $1,721,400,000 for ammunition plus $407,894,000 for production base support offset in part by $5,600,000 in anticipation of collections in excess of current reimbursable orders.

This appropriation provides for the procurement of all Army ammunition except missiles. Funds are also included for industrial facilities required for the production of ammunition components and end items, the modernization of Army ammunition facilities (including construction), and the layaway of Government-owned plants and equipment where it has been established that such facilities will be required in the event of mobilization.

The Committee recommendation and the budget estimate are summarized in the following comparative table:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Ammunition	2,205,600	1,721,400
Production base support:		
Provision of industrial facilities	391,784	366,294
Layaway of industrial facilities	17,200	17,200
Manufacturing technology program	24,400	24,400
Depot maintenance plant equipment		
Subtotal, production base support	433,384	407,894
Adjustments for financing from other sources	-5,600	-5,600
Total	2,633,384	2,123,694

COMMITTEE RECOMMENDED ADJUSTMENTS

These funding levels recommended represent slight decreases below the fiscal year 1982 program but provide the ability to maintain the momentum in increasing conventional ammunition stockpiles. The Committee denies funding for two programs in agreement with the authorizing legislation–the Copperhead program and chemical ammunition. Fifteen million dollars is provided for the layaway of the Copperhead production line upon completion of the currently funded production.

Viper.—The Committee strongly believes that there are viable alternatives to Viper from both cost and performance standpoints. The

Committee likewise believes that the Army has not complied with the intent of the congressionally mandated competitive analysis of alternative, individual shoulder-fired antiarmor weapons. Accordingly, fiscal year 1983 funds are not provided for Viper and no further funds shall be spent to develop or procure Viper. Funds provided in prior years for Viper procurement shall be redirected to accelerate a heretofore unnecessarily protracted competitive test and analysis process. The Committee has no objection if a portion of these funds is used to procure the M72A3 LAW on an interim basis to satisfy readiness requirements and directs that the M72A3 be used as the baseline for the operational test firings and evaluation of competing LAW alternatives.

The Committee further believes the Department of Defense should assure a joint service operational requirements document for the Army and Marine Corps responding to the current Soviet armored threat and anticipated through the 1990's be developed within 90 days. The Army's 1975 required operational capabilities statement is wholly inadequate in this regard. Based on the updated requirements document, the final weapon selected should have a frontal kill capability against modern tanks. If an additional weapon for light armor missions is deemed appropriate for procurement, it must be low enough in cost to be highly proliferable.

The competitive analysis of alternative LAW systems must involve a number of tests greater than that required for merely screening candidates, and must be sufficient to support a fiscal year 1984 procurement decision. The Committee reiterates in the strongest terms congressional intent as expressed in the fiscal year 1982 Department of Defense Appropriations report and amended above.

Following is a listing of the Committee recommended adjustments:

[Dollar amounts in thousands]

	Amount recommended	Adjustment
5.56mm cartridge, all types	69,200	-800
7.62mm cartridge, all types	51,700	-1,000
14.5mm cartridge with fuze, all types		-1,800
.50 caliber cartridge, all types	92,600	-1,000
20mm cartridge, all types	20,200	-900
40mm cartridge (DIVAD), all types	48,900	-22,000
4.2 inch cartridge, all types	12,000	-43,300
105mm cartridge, DS-T/TP	100,300	-54,500
155mm projectile, HE, ADAM/RAAMS	108,800	-47,700
Copperhead		-168,600
Viper antiarmor		-113,700
Fuzes, all types	98,600	-9,400
Hand grenades, all types	11,400	-1,100
Chemical munitions		-18,400

Production base support.—Provisions for industrial facilities are reduced by $25,490,000 for three projects. First, funding for the USAF antiarmor cluster munition metal parts facilities is denied in conjunction with the recommended deferral of production funds. Second, funds for automatic clustering and insertion equipment to load M42/46 grenades

are denied as premature pending further development and testing on prototype equipment. Third, funds for the Bigeye chemical weapon production facilities are denied in agreement with the authorization legislation.

OTHER PROCUREMENT, ARMY

1982 appropriation	$3,721,971,000
1983 budget estimate	4,567,491,000
Committee recommendation	4,207,891,000

The Committee recommends an appropriation of $4,207,891,000, a decrease of $359,600,000 below the President's budget.

This appropriation finances the acquisition of: (a) tactical and commercial vehicles including trucks, semitrailers, and trailers of all types to provide mobility and utility support to field forces and the worldwide logistical system; (b) communications and electronics equipment of all types to provide fixed, semifixed, and mobile strategic and tactical communications equipment; (c) other support equipment such as chemical defensive equipment, tactical bridging, shop sets, construction equipment, floating and rail equipment, generators and power units, material handling equipment, medical support equipment, special equipment for user testing, and nonsystem training devices. In each of these activities funds are also included for modification of in-service equipment, investment spares and repair parts, and production base support.

The Committee recommendation will provide funding for the following program for fiscal year 1983:

[In thousands of dollars]

	Budget estimate	Committee recomendation
Tactical and support vehicles	1,256,500	1,256,500
Communication and electronics equipment	2,339,164	2,058,864
Other support equipment	971,827	892,527
Total	4,567,491	4,207,891

SPECIAL INTEREST ITEM

Army calibration equipment.—The statement of the managers accompanying the fiscal year 1982 Defense Appropriations Act expressed concern relative to the establishment of an accurate data base on which to support decisions on the future purchase of calibration equipment. The statement directed the Army to provide a comprehensive report including a detailed implementation plan for the acquisition of calibration equipment.

The Committee is concerned that the Army has failed to resolve the serious problems which have pervaded its calibration program. Recent request for proposal (RFP) solicitations have presented an acquisition strategy for calibration equipment which appears not to be supported by an accurate data base or a detailed implementation plan.

The Committee reiterates its request for a comprehensive report and a detailed implementation plan for acquisition of calibration equipment. The Army is advised to obtain prior approval of the Committee prior to awarding any production contract for purchase of calibration equipment pending submission of the comprehensive report and the acquisition plan.

COMMITTEE RECOMMENDED ADJUSTMENTS

COMMUNICATIONS AND ELECTRONICS EQUIPMENT

SINCGARS.—In funding the first year of production, the Committee directs that none of the funds provided may be used for a multiyear contract without first notifying the Committee 30 days in advance. The highly accelerated and concurrent development program has not yet demonstrated the degree of stability required for multiyear procurement.

Radio AN/GRC–193.—The Committee recommends $24,600,000 for procurement of the AN/GRC–193 radio. This is a reduction of $5,000,000 below the budget estimate. The Committee understands that this reduction is in line within the Army's intended program for this radio.

Small unit radio AN/PRC–68.—The Committee recommends $2,000,000 for procurement of this radio. This reduction of $5,100,000 is an offset for money still available from the unexecuted fiscal year 1982 program.

European telephone system.—The Committee recommends a reduction of $25,000,000 from the request of $35,000,000 for the fourth year of the ongoing multiyear upgrade of the European telephone system. The fiscal year 1983 request accelerates the conversion rate faster than the memorandum of understanding (MOU) with the Federal Republic of Germany calls for. Furthermore the program is already financed well ahead of schedule. The funds provided allow continuation of this important program while reducing the level of advanced funding of the program.

Project VIABLE.—The requested amount of $29,900,000 for procurement is deleted in agreement with the Army's decision to lease rather than purchase new automatic data processing equipment for their regional data support centers. A like amount has been added to the fiscal year 1983 operation and maintenance account. Future funding request for the VIABLE lease should be budgeted for in the operation and maintenance, Army appropriations.

DARCOM 5-year ADP program.—The Committee recommends $10,000,000 for this program. This is a reduction of $5,000,000 reflecting cost savings and some change in program scope.

Data entry devices.—The Committee recommends $10,400,000 for the procurement of division level data entry devices. This is a reduction of $14,200,000. This device, which entered production in 1982, enters digital data into the Army tactical communication network. The contract was recently terminated for the convenience of the Government. Consequently the program is being restructured and, coincidently, the requirements are also under revision. Additional funding is considered premature.

Position locating reporting system (PLRS).—In funding the first year of PLRS production, the Committee directs that none of the funds provided may be used for a multiyear contract without first notifying the Committee 30 days in advance. The Committee notes that the procurement costs of this joint Army-Marine Corps program are estimated to be in excess of $650,000,000 as presently defined. However, the Army program is scheduled to evolve into the PLRS/joint tactical information distribution system (JTIDS) hybrid which is the Army's long-range objective. The impact of the transition to this evolving and developing program is not clear. Furthermore, the benefits to the Government of entering a multiyear contract are not established.

Spares and repair parts.—The Committee recommends reductions to two of the three spares and repair parts lines. These reductions are made as a result of savings identified to the Committee by the Army and adjusts related to Committee recommendations on VIABLE, PLRS, and the division-level data entry device. Specifically, the Committee recommends a reduction of $25,000,000 in the $209,500,000 request and a $9,000,000 reduction in the $154,200,000 request.

Other reductions.—The Committee recommends a number of other reductions based on cost savings and program adjustments identified by the Army and the Committee. These adjustments are shown in the following table:

[Dollar amounts in thousands]

	Amount recommended	Adjustment
Radio terminal AN/TRC-170	$35,600	-$4,000
Data buffer TD-1065	23,500	-5,000
Radio AN/PRC-104	17,800	-5,000
Radio repeater AN/TRC-113	18,400	-5,000
Radio term AN/TRC-145	18,900	-5,000
Multiplexer TD-1289	15,400	-8,000
Joint crisis management center		-44,500
European command and control	29,900	-15,000
KY-57	48,200	-5,000
KY-58	6,800	-5,000
Psychological operations group equipment	5,800	-7,700
Radio AN/MSQ-103		-9,700
Radio modifications (team pack)	46,300	-12,300
Intelligence communications equipment	3,900	-4,000
SIGINT simulators	8,000	-4,100
Intelligence data handling system	6,000	-2,500
Items under $900,000	6,000	-1,000
Piranha jammer modification kit	6,000	-4,200
Night sight AN/TAS-5	27,000	-1,000
Position locating reporting system	17,400	-15,000

OTHER SUPPORT EQUIPMENT

Protective gas masks.—The Committee recommends a reduction of $13,200,000 in the request of $49,400,000 for the production of 243,000 gas masks. Production of the new series gas masks, which was scheduled to start this year, has been stopped by the Army. The reduction

recommended represents the savings from buying an equal number of the older but less expensive gas masks.

Productivity programs and base level commercial equipment.—The Committee recommends a reduction of $15,000,000 to the total request of $70,000,000 for productivity increasing or enhancing programs. The total request is contained on five separate budget lines. This request represents a fivefold increase over the fiscal year 1982 level. The Committee has allowed a significant portion of this increase to stand in recognition of the leverage of the investments. However, the Committee notes the considerable similarity in proposed applications of the $50,800,000 request for base-level commercial equipment. Accordingly, a $15,000,000 reduction is recommended in the base-level commercial equipment line.

European host nation support.—The Committee denies the request of $33,100,000 for the purchase of forklifts and fuel trailers to equip German reserve units. This is the first year of a program which, over the next 5 years, will cost $208,600,000. While the United States will retain title to all equipment which will be procured from U.S. sources, the Committee is concerned about investing money in German reserve units when U.S. Congress finds it necessary to force the Defense Department and Services to adequately equip their own reserves. Furthermore, the Committee has consistently stated its concern for the level of support and contribution made by our foreign allies. The Committee continues to feel that such contributions are disproportionately low. This request, if it had been approved, would only have further exasperated this disproportionate contribution to our collective defense.

Other reductions.—The Committee recommends a reduction of $3,000,000 in the procurement of 140 ton flatcars based on cost savings identified by the Army in the fiscal year 1982 contract.

Aircraft Procurement, Navy

1982 appropriation	$9,115,800,000
1983 budget estimate	11,582,300,000
Committee recommendation	10,650,100,000

The Committee recommends an appropriation of $10,650,100,000, a decrease of $932,200,000 below the President's budget request.

This appropriation finances the construction, procurement, production, modification, and modernization of aircraft, including ordnance, spare parts, accessories, and specialized equipment, expansion of public and private plants.

The following table compares the Committee recommendation with the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Combat aircraft:		
A-6E Intruder (MYP)	247,700	224,100
Advance procurement	13,300	8,300
EA-6B Prowler (MYP)	289,900	289,900
Advance procurement	26,700	17,600
AV-8B V/STOL	677,100	742,900
Advance procurement	73,900	73,900
F-14A Tomcat	915,300	819,300
Advance procurement	202,400	202,400
F-18 Hornet	2,443,900	2,233,900
Advance procurement	283,700	252,700
CH-53E Super Stallion	255,600	233,600
Advance procurement	33,500	2,900
SH-60B Sea Hawk	858,400	616,700
Advance procurement	137,000	102,000
AH-1T Sea Cobra, advance procurement	17,200	
P-3C Orion	280,600	253,900
Advance procurement	48,800	48,800
E-2C Hawkeye	316,200	307,500
Advance procurement	21,300	21,300
SH-2F Seasprite	169,000	165,400
Advance procurement	20,400	20,400
Other aircraft:		
C-9 Skytrain II	16,200	16,200
C-2 multiyear procurement (MYP)	218,900	218,900
Advance procurement	48,900	48,900
T-34C	34,400	34,400
TH-57	23,200	23,200
EC-130D (TACAMO) Hercules	36,800	36,800
Modification of aircraft	1,311,100	1,208,100
Spares and repair parts	2,080,900	2,005,900
Support equipment and facilities	480,000	431,400
Consultants, studies, and analyses		-11,200
Total	11,582,300	10,650,100

COMMITTEE RECOMMENDED ADJUSTMENTS

Contract cost savings.—Funding reductions are recommended in seven separate aircraft procurement lines based on contract cost savings that have developed as a result of procurement negotiations in fiscal year 1982. Allowance is based on savings applied to the A-6E, F-14A, F/A-18, P-3C, E-2C, SH-2F, and CH-53E procurement lines. In addition, advance procurement for the F/A-18 is trimmed in anticipation of continued savings in fiscal year 1984. No change in budgeted production rates is recommended.

AH-1T Sea Cobra.—The Committee recommends denial of advance procurement funding requested by the Marine Corps to restart production of the Sea Cobra attack helicopter in fiscal year 1984. This limited production proposal will incur high unit costs and should be deferred pending congressional review of Marine attack helicopter requirements and options, including possible acquisition of the AH-64 advanced attack helicopter developed by the Army to replace the AH-1.

SH–2F Seasprite.—In addition to a cost savings adjustment recommended separately, the Committee directs the Navy to use $9,000,000 in prior year contract savings on this LAMPS I helicopter to finance a product improvement program demonstration. It is the Committee's intent that the increased range and payload provided by reengining the Seasprite be thoroughly evaluated by the Navy.

Authorized reductions.—The following reductions are recommended in agreement with limitations of the authorization legislation:

SH–60B Sea Hawk	–$241,700,000
Advance procurement:	
A–6B Intruder	–5,000,000
EA–6B Intruder	–9,100,000
CH–53E Super Stallion	–30,600,000
SH–60B Sea Hawk	–35,000,000

Modifications.—The Committee recommends a general reduction of $103,000,000 to aircraft modifications based on the availability of excess modification kits. The Committee learned at its hearings that more of these kits have been procured than can be installed within the budgeted operating program. The recommendation still permits a $278,000,000 increase over the fiscal year 1982 level.

Spares and repair parts.—The recommended $75,000,000 reduction in spares and repair parts procurement is based on a Department savings offer of $60,000,000 and an additional $15,000,000 cutback based on previous production changes. The recommended allowance still permits a $460,000,000 increase over fiscal year 1982 funding.

Common ground equipment.—The recommended $48,600,000 reduction in common ground equipment provides a 36-percent increase over fiscal year 1982 funding instead of the 54-percent increase contained in the budget estimates.

Contracting.—The Committee recommends a reduction of $11,200,000 in the estimated $34,562,000 budgeted for consultants, studies, and analyses. This continues the Committee policy of tightening contracting costs and curbing excesses and possible abuses in the consultants and studies areas.

C–2 transport.—The Committee recommends the full budget estimate for acquisition of eight C–2 cargo aircraft to continue a multiyear procurement program authorized and funded in fiscal year 1982. This is $64,200,000 above the authorization mark for this program.

The Committee shares the authorizing committees' concern that projected cost savings under several Navy aircraft multiyear contracts are not materializing and fully endorses the required 30-day congressional contract review before multiyear procurement is initiated. In the case of the C–2 aircraft, however, a multiyear contract has already been signed and an acquisition program initiated. Inadequate funding to continue the multiyear procurement would needlessly drive up unit acquisition costs. It is the Committee's intent that continuance of the C–2 acquisition under a multiyear contract in fiscal year 1983 should be subject to the 30-day review required in the authorizing legislation.

WEAPONS PROCUREMENT, NAVY

1982 appropriation	$3,207,100,000
1983 budget estimate	3,901,600,000
Committee recommendation	3,506,300,000

The Committee recommends an appropriation of $3,506,300,000, a decrease of $395,300,000 below the President's budget request.

This appropriation finances the construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment, including spare parts and accessories; and expansion of public and private plants.

The Committee recommendations and budget estimates are summarized below by activity:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Ballistic missiles:		
UGM-73A (C-3) Poseidon	9,700	9,700
UGM-76A (C-4) Trident I	699,500	633,700
Advance procurement	43,300	36,300
Modification of missiles	7,500	7,500
Support equipment and facilities	16,500	16,500
Strategic missiles:		
BGM-109 Tomahawk	271,000	173,000
Advance procurement	21,163	6,663
Tactical missiles:		
AIM/RIM-7 F/M Sparrow	132,800	132,800
AIM-9L/M Sidewinder	41,471	41,471
AIM-54A/C Phoenix	222,100	182,600
Advance procurement	34,200	30,200
AGM-84A Harpoon	236,136	225,136
AGM-88A HARM	176,800	95,800
RIM-66B standard MR (MYP)	192,300	192,300
Advance procurement	60,300	
RIM-66C standard MR	122,800	122,800
RIM-67B standard ER	302,800	302,800
Laser Maverick	33,100	33,100
Other missile support	5,300	5,300
Aerial targets	76,600	76,600
Modification of missiles	74,190	74,190
Support equipment and facilities	349,340	336,640
Torpedoes and related equipment:		
Torpedo MK-48	124,300	124,300
Torpedo MK-46 (MYP)	105,700	105,700
Advance procurement	35,500	35,500
MK-60 Captor	151,400	151,400
Related equipment	31,800	31,800
Modification of torpedoes and related equipment	89,300	89,300
Support equipment	66,900	66,900

[In thousands of dollars]

	Budget estimate	Committee recommendation
Other weapons:		
Guns and gun mounts	130,640	130,240
Modifications of guns and gun mounts	19,700	19,700
Support equipment	17,460	17,460
Consultants, studies, and analyses		-1,100
Total	3,901,600	3,506,300

COMMITTEE RECOMMENDED ADJUSTMENTS

Trident I.—The Committee recommends a $65,800,000 reduction in Trident I (C–4) production, including a $3,000,000 cutback offered by the Department, and adjusting missile production from 72 to 66. The production cutback is to begin slowing acquisition 1 year earlier than budgeted since the Trident I will be replaced by the Trident II (D–5) sooner than originally planned, beginning with the ninth (1981) Trident submarine. The $7,000,000 reduction in advance procurement reflects the authorization limit.

Tomahawk.—The recommended $98,000,000 reduction in the Tomahawk cruise missile program reflects the Navy's adjustment in out-year production rates as part of an indemnification program to encourage a second production source. The allowance trims the fiscal year 1983 acquisition program from 120 to 71 missiles to smooth acquisition rates and permit the correction of current production problems. Advance procurement funding is reduced by $14,500,000 to reflect the Navy's reduction from 312 to 128 missiles in the 1984 production program.

Phoenix (AIM–54).—The Committee recommends a $39,500,000 reduction in the Phoenix program, cutting production from 108 to 90 of these long-range air-to-air missiles. This allowance reflects a concurrent dip in procurement of the F–14A, the fighter that carries the Phoenix. The Committee allowance provides half the budgeted missile production increase and trims advance procurement for fiscal year 1984 accordingly.

Harpoon.—The Committee recommends a $11,000,000 reduction in the Harpoon program on the basis this antiship missile acquisition program was not properly costed by the Navy. A lack of a 1982 base adjustment and production cost analysis is the basis of the cutback, which should have no impact on the program.

HARM.—A reduction of $81,000,000 is recommended to slow down HARM production from 208 to 118 missiles, a budget savings recommended earlier by the Department. Although the Department also recommended deferring second-source production of this antiradiation missile by 1 year, the Committee will expect the Navy to make every effort to bring on a coproducer at the earliest possible time.

RIM–66B.—The Committee recommends a $60,300,000 reduction in advance procurement for the RIM–66B medium-range missile deferring multiyear procurement as provided in the authorization bill. This cutback will not have any impact on production.

Spares and repair parts.—The Committee recommends a $12,700,000 reduction in acquisition of initial spares to reflect previously recommended cutbacks in missile production.

9mm handgun.—Funding budgeted for procurement of 9mm handguns is denied in agreement with the authorizing legislation.

Contracting.—The recommended $1,100,000 reduction in consultants, studies, and analyses continues funding for these activities at the fiscal year 1982 level.

SHIPBUILDING AND CONVERSION, NAVY

1982 appropriation	$8,821,400,000
1983 budget estimate	18,648,300,000
Committee recommendation	16,848,800,000

The Committee recommends an appropriation of $16,848,800,000, a decrease of $1,799,500,000 below the budget estimate. In addition, the Committee recommends a reappropriation of $176,200,000 to complete the fiscal year 1978 shipbuilding program.

This appropriation finances the construction, acquisition, or conversion of vessels, including armor and armament, plant equipment, appliances, and machine tools for production plants and facilities; and procurement of long leadtime components and designs of vessels.

A comparative table of the Committee recommendations and the budget estimates follows:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Nuclear submarines:		
Trident	2,241,100	1,462,600
Advance procurement	243,900	81,300
SSN–688 class	1,027,400	1,027,400
Advance procurement	416,000	416,000
Surface combat ships:		
CVN aircraft carrier (nuclear)	6,795,300	6,795,300
Battleship reactivation—*USS Iowa*	323,400	323,400
Advance procurement—*USS Missouri*	94,000	
Carrier SLEP	536,500	536,500
Advance procurement	163,000	163,000
CG–47 AEGIS Cruiser	3,112,200	3,062,600
Advance procurement	22,200	22,200
FFG–7 frigate	666,400	631,400
(Transfer from fiscal year 1982)		(35,000)
MCM mine countermeasures ship	371,600	371,600
Amphibious and auxiliary vessels:		
LSD–41 landing ship dock	379,200	379,200
Advance procurement	37,800	37,800
LHD–1 amphibions assault ship		
Advance procurement	55,000	55,000
T–AO fleet oiler	210,200	
Advance procurement	109,800	
AGOS SWATH ship		
Advance procurement	24,300	

[In thousands of dollars]

	Budget estimate	Committee recommendation
Amphibious and auxiliary vessels—Continued		
ARS salvage ship	74,000	74,000
Advance procurement	10,000	10,000
Fast logistics ship (T-AKRX)(SL-7 conversion)	322,600	
Advance procurement		44,000
TAHX hospital ship	300,000	300,000
Service craft	79,000	79,000
Landing craft	83,100	72,500
Outfitting	136,400	136,400
Post delivery	168,300	168,300
Ship contract design	97,200	97,200
Manufacturing technology	25,000	
Cost growth	314,200	327,700
Escalation	209,200	209,200
Reappropriation		176,200
Consultants, studies, and analyses		-34,800

COMMITTEE RECOMMENDED ADJUSTMENTS

The Committee has recommended the following changes, most of them in conformance with the authorization:

Trident submarine.—The Committee reluctantly recommends an allowance of $1,462,600,000 for one Trident submarine configured with Trident II (D–5) missiles. This full funding level combined with prior-year advance procurement for the 10th ship equates to the Navy's current end-cost estimate of $1,816,000,000. Although the Navy has certified this estimate as budget quality, or class "C," a recent GAO analysis determined that estimates for installing D–5 aboard the 10th or the 9th submarines, the fiscal year 1981 ship, should not be considered budget quality.

The Department announced plans just last June to install D–5 missiles on all Trident subs commencing with the ninth ship, but provided no cost estimates. With the authorization deletion of one C–4 missile configured ship, a flurry of Navy estimates surfaced for D–5 installation and were factored into the authorization limitation for one ship.

The Committee is particularly disturbed that the Trident program has undergone so much change in the absence of a budget amendment or any clear pronouncement of the current procurement strategy. In view of these uncertainties, the Committee has rejected the Navy's request to reallocate authorized funding for cost growth on the fiscal year 1981 program. Management reserves funded in fiscal year 1981 and in this allowance should be more than adequate to begin planning D–5 installation on the ninth ship. The Navy is directed to budget the total cost of D–5 missile installation for the ninth ship, based on budget quality estimates, in a future cost growth request. The Committee will consider any reprograming for startup costs and design above budgeted reserves required during fiscal year 1983. However, the Committee would not look favorably upon a realinement of other submarine programs financing or decreases in future construction quantities.

Trident submarine advance procurement.—The Committee recommends an allowance of $81,300,000 for Trident advance procurement. Prior year advance procurement funding levels should be adequate to meet revised ship construction plans. If the Navy determines that the allowance is excess for advance procurement on the 11th and 12th ships, the Committee will consider this source for reprograming.

CG–47 Aegis Cruiser.—A reduction of $49,600,000 is recommended to delete LAMPS III systems and high-frequency sonars, TACTAS, from the three cruisers budgeted in fiscal year 1983. The allowance of $3,062,000 will provide for cruisers configured with helicopter flight decks, hangars, and recovery systems. Retaining these systems aboard the cruisers will allow for accommodation of LAMPS III aircraft deployed from other vessels in the battle group.

Missouri reactivation.—The Committee has deleted the $94,000,000 budgeted to commence reactivation of a third battleship, U.S.S. *Missouri.* Reactivation of the first two *Iowa* class ships will be underway in fiscal year 1983 and U.S.S. *New Jersey* delivery is expected in January. Deferral of *Missouri* will provide the Navy the opportunity to quantify fully the industrial work requirements based on experience with the first two battleship reactivations. It will also permit orderly congressional review of plans to modify and deploy these World War II vessels.

Guided missile frigates.—A recommended decrease of $35,000,000 for the FFG–7 frigate construction program assumes a transfer of a like amount from the prior year program. Recent contract awards for fiscal year 1982 vessels were $35,000,000 below the appropriated allowance.

Fleet oiler.—The Committee recommends deleting $210,200,000 for one TAO fleet oiler and advance procurement of $109,800,000 for future ship construction. The first TAO of this class was to have commenced construction in fiscal year 1982, but design problems will delay contract award until early fiscal year 1983. Cost estimates for this lead ship were apparently inadequate as indicated by the Navy's supplemental request for an additional $58,000,000. Deferral of this vessel will provide a 1-year gap in construction to stabilize the design, and the Committee expects to be notified of the Navy's plan to restructure this procurement program. The Committee believes the $38,000,000 cost growth allowance for the lead ship will be adequate for contract award not later than January 1983. The multiship procurement initiative is deferred without prejudice.

SL–7 conversions.—A reduction of $278,600,000 defers the conversion of the second phase of four fast logistics ships, which will avoid all eight SL–7 ships undergoing conversion at the same time. The first four conversions were fully funded in fiscal year 1982. The remaining allowance of $44,000,000 provides advance procurement for four conversions in fiscal year 1984.

T–AH hospital ship.—The Committee conditionally recommends the full $300,000,000 budget estimate for purchase of a commercial vessel and conversion to a definitive care hospital ship. In the absence of reliable cost estimates and continuing delays in awarding the design con-

tract, the Committee has no grounds for confidence in the Navy's ability to guarantee reasonable cost control. Accordingly, the Committee directs that none of the recommended funds be obligated until the Navy has completed ongoing investigations into the feasibility of chartering alternatives. Another option offering attractive cost savings is rehabilitation of a reserve fleet hospital ship. The Navy will be expected to submit a documented recommendation for the most cost-effective approach for prior Committee approval before making any substantial commitments on a hospital ship for active service.

AGOS ocean surveillance ship.—A reduction of $24,300,000 is recommended in agreement with the authorization bill's deletion of advance procurement for the AGOS–13 class ocean surveillance ship.

Cost growth.—The Committee recomends a budget increase of $13,500,000 for cost growth on prior-year programs to accommodate three adjustments. The budgeted $43,500,000 for future characteristics change costs on the CVN 71 is deleted. Navy has obligated funds previously appropriated for changes on this vessel and replacement of these management reserves is not substantiated. The allowance would provide $19,000,000 for MCM cost overruns and $38,000,000 on the lead TAO to permit contract awards. This is a reinstatement of requested funding dropped from the fiscal year 1982 supplemental appropriations bill.

Manufacturing technology.—The recommended allowance deletes $25,000,000 for modernization of production equipment, tooling, and facilities for ship construction. Funding is included in the Navy's "Other procurement" account for these purposes. The Committee sees no compelling need to introduce this amorphous line item into the shipbuilding budget.

Reappropriation.—The Committee recommends an additional $176,200,000 to extend expiring fiscal year 1978 shipbuilding funding. This reappropriation will provide adequate budget authority to cover new obligation construction requirements for those ships nearing completion. Funds will remain available until September 30, 1984. This extended funding was a supplemental request for fiscal year 1982 which Congress deferred.

Landing craft.—The Committee recommends a reduction of $10,600,000 to revise the procurement of LCM–8 landing craft. TAKX vessels will not deliver until early fiscal year 1984. Only 8 of the budgeted 20 landing craft are required for future delivery of roll-on, roll-off vessels.

Other Procurement, Navy

1982 appropriation	$3,708,777,000
1983 budget estimate	3,970,156,000
Committee recommendation	3,877,280,000

The Committee recommends an appropriation of $3,877,280,000, a decrease of $92,876,000 below the President's budget request.

This appropriation finances the procurement of major equipment and weapons other than ships, aircraft, missiles, torpedoes, and guns. Equip-

ments range from the latest electronic sensors for updating of naval forces to trucks, training equipment, and spare parts.

The Committee recommendation and budget estimate are displayed below:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Ship support equipment	568,863	556,763
Communications and electronics equipment	1,487,998	1,484,598
Aviation support equipment	608,208	582,532
Ordance support equipment	785,195	775,595
Civil engineering support equipment	172,837	172,837
Supply support equipment	91,164	77,664
Personnel/command support equipment	255,891	227,591
Total	3,970,156	3,877,280

COMMITTEE RECOMMENDED ADJUSTMENTS

SHIP SUPPORT EQUIPMENT

Ship modifications.—The Committee recommends deletion of $2,000,000 for steam propulsion improvements and deletion of $2,000,000 for high pressure air compressor modifications for the DD–931/945 class ships. These ships are now proposed for deactivation by the Defense Department during fiscal year 1983.

Sealift support equipment.—The Committee recommends a reduction of $7,000,000 in the procurement of prepositioned equipment for U.S. merchant ships to support their role as Naval auxiliaries. This adjustment allows $15,000,000 for the fiscal year 1983 program and more than a 200-percent increase over the fiscal year 1982 program.

Small boats.—The Committee recommends the deferral of $1,400,000 for 42 replacement 26-foot motor whaleboats because a significant number of these boats are not in use or are in storage.

COMMUNICATIONS AND ELECTRONICS EQUIPMENT

AN/WLQ–4.—In agreement with the authorizing legislation, a $3,400,000 reduction for the AN/WLQ–4 (praire wagon) program is recommended.

AVIATION SUPPORT EQUIPMENT

Bigeye chemical weapon.—The Committee denies production funding of $25,676,000 for this weapon in agreement with the authorizing legislation.

ORDNANCE SUPPORT EQUIPMENT

Gun fire control equipment.—The Committee recommends deletion of $1,900,000 for one MK86 capability expansion kit. The Committee records indicate that the inventory of installable modifications will be ex-

cess or in balance with requirements for nearly the next 2 years without this additional item. Furthermore, past history indicates that ship modernization such as this are often slipped or rescheduled. Deletion of the single system should have no impact on readiness since follow-on procurement is scheduled for next year.

Small arms ammunition.—The Committee recommends a reduction of $3,200,000 from the budget request. This reduction is made up of a $2,700,000 denial for the Viper antiarmor rocket in consonance with the Committee's recommendations throughout this report. Procurement of 3,200 60mm mortar rounds that would be excess to inventory requirements is denied. This saves $1,300,000. Similarly, $247,000 for 9mm ball ammunition for the 9mm handgun is withheld.

Pyrotechnics devices.—The Committee recommends a reduction of $4,500,000 associated with the procurement of M18 grenades and M127 signal flares. This reduction is recommended so that inventories do not exceed required stockage levels.

SUPPLY SUPPORT EQUIPMENT

Productivity investments.—The Committee recommends reductions of $3,100,000 and $3,300,000 in the productivity investment fund and productivity program respectively. While there appears to be an endless set of opportunities for investment, the Committee recommends funding for only the more worthy opportunities in fiscal year 1983. If during the year, other equally attractive chances for savings arise, reprograming of funds is recommended.

Special activities.—The Committee recommends a reduction of $7,100,000 to the request for $16,074,000. The rationale for the reduction is provided in the classified annex.

PERSONNEL/COMMAND SUPPORT EQUIPMENT

General reductions.—The Committee recommends general reductions in three programmatic areas as economy measures. These reductions are $6,500,000 in training support equipment, $12,400,000 in command support equipment, and $7,400,000 in the computer acquisition program. These reductions maintain these three programs at their 1982 levels while allowing the service to apply these reductions across the large number of projects included in each area.

PROCUREMENT, MARINE CORPS

1982 appropriation	1,711,456,000
1983 budget estimate	2,300,700,000
Committee recommendation	2,047,855,000

The Committee recommends an appropriation of $2,047,855,000, a decrease of $252,845,000 below the President's budget estimate.

This appropriation provides the Marine Corps with funds for the procurement, delivery, and modification of missiles, armament, ammunition, communication equipment, tracked and wheeled vehicles, and various support equipment.

Committee recommendations, summarized by budget activity, will provide the following program for fiscal year 1983:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Ammunition	630,200	437,438
Weapons and combat vehicles	486,000	468,561
Guided missiles	263,900	263,900
Communications and electronics	476,800	457,717
Support vehicles	190,900	187,900
Engineering and other equipment	252,900	232,339
Total	2,300,700	2,047,855

COMMITTEE RECOMMENDED ADJUSTMENTS

AMMUNITION

Practice linear charge.—The Committee recommends a reduction of $6,000,000 which limits the fiscal year 1983 procurement to a 4-year supply rather than the 11 years requested. The original request is considered to be excessive.

8-inch propelling charges.—The Committee recommends a reduction of $3,000,000 in the request for 8-inch propelling charges to keep the inventory of propelling charges and projectiles balanced.

Viper rocket.—The Committee denies fiscal year 1983 funding for the Viper rocket.

Copperhead.—The Committee denies procurement funding for the Copperhead round because of termination of the Army program.

Other miscellaneous reductions.—The following table displays the adjustments made in agreement with authorizing legislation, as a result of overpricing of rounds and, as a result of Committee recommendations made elsewhere in this report.

[Dollar amounts in thousands]

	Quantity	Amount recommended	Adjustment
155mm ammunition, all types		-$170,200	-$170,200
9mm handgun			-2,039
9mm handgun ammunition			-600
Full track tractor		23,335	-6,861
Parachute release assemblies		800	-500
60mm mortar rounds		3,300	-300
8-inch projectile		50,700	-2,700
Items under $900,000 (Viper training rounds)		3,900	-200

WEAPONS AND COMBAT VEHICLES

LVT7 program.—The Committee recommends a $15,400,000 reduction in the LVT7 service life extension program (SLEP). As a result of the August 1982 contract, the program schedule has been revised with

scheduled monthly production to exceeded previously stated production capabilities. A reduction of 30 vehicles in the SLEP is recommended to keep production within those lower capability estimates. If the desired higher production rates can be achieved, deliveries can be accelerated and subsequent contracts adjusted the demonstrated production rates.

COMMUNICATIONS AND ELECTRONICS

Radio set AN/PRC ( )/UHF.—The Committee recommends a reduction of $3,100,000 in this new procurement item. This reduction will limit first-year production to filling all of the active units, plus the marine pre-positioned ship requirements. This will be a total fiscal year 1983 buy of 621 radios.

Radio set AN/PRC–75A.—The Committee denies funding for this radio as it is being replaced on a one-for-one basis by the new radio above.

Radio set AN/PRC–77.—The Committee recommends a reduction of $1,300,000, which limits the buy to filling only the first 25 days of war reserve stocks.

Position location reporting system (PLRS).—The Committee recommends the budget estimate of $44,200,000 for procurement of battlefield positioning for the Marine Corps. These PLRS systems are designed to improve the tactical commander's ability to provide automatic and accurate identificaiton, location and navigation data relative to various combat units and to enhance maneuver control, fire response time and airspace management.

PLRS is being developed and evaluated by the Army for itself and the Marine Corps. The Army has recently deployed its developmental equipment for evaluation by operational troops of the impact of PLRS on tactics and doctrine. Reported results have been encouraging, and the capabilities afforded by this system are expected to enhance deployment effectiveness.

The Committee believes both the Army and the Marine Corps must participate to insure an executable program that is cost effective. During fiscal year 1983, the Department of Defense should closely observe continued deployments and evaluation of the system by the two services and report to the Committee during the fiscal year 1984 budget hearings on the merits of continued procurement in light of the concurrent fielding of the global positioning system by the Department.

Antenna processor.—The Committee recommends a minor reduction of $400,000 to restrict the fiscal year 1983 procurement to fully equipping active duty forces in the first year of production.

TOW night sight AN/TAS–4.—The Committee recommends a reduction of $14,200,000 and 270 night sights. This reduction limits the fiscal year 1983 procurement so that the numbers of TOW launchers and night sights in the inventory are balanced.

SUPPORT VEHICLES

Five-ton cargo truck retrofit.—The Committee recommends a reduction of $3,000,000. This program rebuilds 1960 vintage trucks using O. & M., Marine Corps money to install kits purchased through this line. By a fiscal year 1982 reprograming, 104 kits have already been placed on order for the fiscal year 1983 program. Funds are available to install only 275 kits. This reduction limits the purchase of kits to 171 kits for a total of 275 kits.

ENGINEERING AND OTHER EQUIPMENT

Command support equipment.—The Committee recommends a reduction of $13,700,000. The fiscal year 1983 request constitutes a 247-percent increase over the fiscal year 1982 request and is some three to four times the planned fiscal year 1984 request. This reduction continues the program at the 1982 level in real terms and should have no significant impact on readiness.

AIRCRAFT PROCUREMENT, AIR FORCE

1982 appropriation	$13,938,998,000
1983 budget estimate	17,751,600,000
Committee recommendation	17,745,500,000

The Committee recommends an appropriation of $17,745,500,000, a decrease of $6,100,000 below the President's budget.

This appropriation finances the construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground-handling equipment, and training devices, spare parts, and accessories; specialized equipment; and expansion of public and private plants, Government-owned equipment, and installation.

The following comparative table displays the Committee's recommendations by major activity with the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
COMBAT AIRCRAFT		
Strategic aircraft:		
Long-range combat aircraft (B–1B)	3,393,100	3,393,100
Advance procurement	475,000	475,000
Tactical aircraft:		
A–10	357,300	357,300
F–5F	28,500	28,500
F–15	1,296,800	1,240,400
Advance procurement	305,400	162,000
F–16	1,735,400	1,711,600
Advance procurement	223,300	223,300
KC–10A	528,800	354,000
Advance procurement	261,300	441,000
By prior year transfer		(120,000)

[In thousands of dollars]

	Budget estimate	Committee recommendation
COMBAT AIRCRAFT—Continued		
Tactical aircraft—Continued		
MC–130H		38,300
E–3A	140,600	140,600
Advance procurement	25,700	25,700
Airlift:		
C–5B	700,000	650,000
Advance procurement	100,000	100,000
C–130H		145,000
European distribution aircraft	5,000	
Wide-bodied cargo airlift		94,800
By prior year transfer		(50,000)
Other aircraft:		
TR–1A	145,800	145,800
Advance procurement	10,700	10,700
Modification of aircraft:		
Strategic aircraft	554,600	530,500
Tactical aircraft	650,500	692,400
Airlift aircraft	265,000	265,000
Trainer aircraft	16,100	16,100
Other aircraft	1,011,500	952,900
Other modifications	102,300	102,300
Undistributed reduction		–4,500
Spares and repair parts	3,656,600	3,518,000
Aircraft support equipment and facilities:		
Common ground equipment	332,600	313,000
Industrial facilities	147,400	147,400
War consumables	140,800	125,300
Other production charges	955,400	993,900
NATO AWACS	186,100	186,100
Total	17,751,600	17,745,500

COMMITTEE RECOMMENDED ADJUSTMENTS

A–10 attack aircraft.—In view of the administration's stated high priority for continued production of the A–10, the Committee recommends the full budget estimate for procuring 20 of these ground attack aircraft. However, the funding is to become available only upon separate authorization by the Congress. The recently passed Defense Authorization bill rejected any additional procurement funding, providing only enough to finance closeout costs. If authorization is forthcoming, the Committee believes continued production will stimulate foreign sales and maintain a production base that will help offset costs for the next generation trainer now under development by the same contractor.

The A–10 aircraft is a single-seat twin-turbofan aircraft for close air support missions. it is armed with a 30mm gun and carries up to 16,000 pounds of external ordnance. It replaces the A–7 and F–4 aircraft as the primary air-to-ground close air support aircraft.

C–5B transport.—The Committee recommends a $50,000,000 reduction in the budget estimate for the C–5B cargo aircraft. This allowance will permit restarting the C–5 production line under an overall program acquisition plan for 50 aircraft.

KC–10A tanker.—The recommended adjustment in budgeted funding for procurement of the KC–10A tanker supports the Department's written request to initiate multiyear procurement in fiscal year 1983. The Committee believes the efficiencies and cost savings of multiyear procurement for this established production program far outweigh the absence of a suitable budget amendment to support this initiative. Further, the Committee has examined the alternative of purchasing used commercial DC–10 transports for conversion to the tanker mission and concluded any immediate cost savings would be outweighed by the long-term advantages of new production through multiyear contracting. The recommended funding includes a transfer of the $120,000,000 provided for the purchase of KC–10 aircraft in the fiscal year 1982 supplemental appropriation.

Wide-body cargo aircraft.—In response to an initiative contained in the Defense Authorization bill, the Committee is recommending a total of $144,800,000 for the purchase of commerical wide-body cargo aircraft to supplement military transports and expand the basic airlift capability of the Air Force. However, the Committee does not recommend diverting civil reserve air fleet funding for this acquisition program but directs that the $84,800,000 in available CRAF funds be used for expanding the availability of commercial reserve aircraft. In lieu of the CRAF funding, the Committee recommends applying the $50,000,000 appropriated last year for wide-body aircraft acquisition, reducing the required new appropriation of $94,800,000.

C–130 cargo aircraft.—In response to the authorization bill, the Committee recommends an increase in the budget estimate of $183,300,000 for 10 tactical cargo aircraft, of which $38,300,000 is for special mission MC–130H aircraft and $145,000,000 for 8 C–130H aircraft. While the MC–130's are intended for the active Air Force, the unit of eight C–130's is designated for Reserve and Air National Guard requirements. Any shortfall in funding for the MC–130's can be accommodated by a reprograming request.

European distribution aircraft.—The Committee does not recommend any funding for the purchase of two aircraft that would form the vanguard of a separate Air Force distribution system in Europe. Improvements to the existing system can obviate the need for any costly initiative of this type.

KC–135 re-engining.—The Committee recomends an increase of $68,200,000 to purchase 28 B–707 aircraft to use commerical JT3D engines aboard Air National Guard KC–135 tankers. The JT3D is a demonstrated fuel-efficient engine and a cost-effective alternative to the existing J–57 engines. The Committee views this re-engining as an effective interim solution until new CFM–56 engines become available in late fiscal year 1984. The allowance concurs in the authorized $115,000,000 reduction to slow CFM–56 production from 22 to 17 engines and

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permits deletion of $39,200,000 budgeted for upgrading J–57 engines under the pacer grade program, included under the Committee allowance for spares.

Aircraft modifications.—The Committee has recommended a net reduction of $4,100,000 in other aircraft modification requests. This includes nonprejudicial reductions of $21,500,000 for B–52G/H offensive avionics and $2,600,000 for B–52H ALCM conversions. These reductions are offset by a $49,000,000 increase to install forward looking infrared capability on Air National Guard A–7 attack aircraft.

Spares and repair parts.—The Committee recommends a reduction of $29,000,000 in spares and repair parts for the F–100 engine due to an overestimation of costs at the time of budget submission. In addition, the Committee agrees with the authorization reduction of $78,200,000.

Authorized reductions.—The Committee recomends the following additional reductions in agreement with the authorizing legislation:

F–15 fighter	−$199,800,000
Aircraft modifications	−15,100,000
Common ground equipment	−20,000,000
War consumables	−15,500,000

Additionally, the Committee recommends an increase of $38,500,000 for other production charges, also in agreement with the authorizing legislation.

Missile Procurement, Air Force

1982 appropriation	$4,559,550,000
1983 budget estimate	6,795,900,000
Committee recommendation	5,904,800,000

The Committee recommends an appropriation of $5,904,800,000. This is $891,100,000 below the President's budget request.

This appropriation finances the construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories, ground-handling equipment, and training devices; and expansion of public and private plants, Government-owned equipment, and installation.

Recommended allowances are tabulated by major activity and compared to the budget estimate in the following table:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Ballistic missiles: Advanced ICBM (M–X)	1,446,400	988,000
Minuteman upgrade		15,000
Other missiles:		
Air launch cruise missile	621,500	496,500
Advance procurement	43,000	43,000
Ground launch cruise missile	490,300	432,300
Advance procurement	29,600	24,600
AIM–7 F/M Sparrow	198,600	198,600
AIM–9 L/M Sidewinder	114,700	114,700
AGM–65D Maverick	342,600	244,900
AGM–88A HARM	159,800	90,800

[In thousands of dollars]

	Budget estimate	Committee recommendation
Other missiles—Continued		
Rapier	98,900	148,900
Target drones	40,200	40,200
Modifications:		
Class IV	62,419	47,419
Minuteman II/III	35,500	35,500
Air-launch cruise	50,800	
AIM-7 F/M Sparrow	7,691	7,691
Ground-launch cruise	3,590	3,590
Spares and repair parts	274,000	206,400
Other support:		
Spaceborne equipment (COMSEC)	13,077	13,077
NAVSTAR GPS (MYP)	102,000	102,000
Space launch support	87,600	87,600
Advance procurement	68,200	68,200
Satellite data system	22,518	22,518
Defense meteorological satellite program (MYP)	137,200	137,200
Advance procurement	30,700	30,700
Defense support program	407,500	407,500
Defense satellite communication system	192,900	182,900
AF satellite communication system	28,600	28,600
Space boosters	3,500	3,500
Advance procurement	67,600	67,600
Space Shuttle	135,954	135,954
Industrial facilities	27,200	27,200
Special programs:		
Other	15,600	15,600
Forest Green	3,508	3,508
IONDS (MYP)	22,455	22,455
Special programs	1,151,800	1,111,700
Special update programs	258,388	298,888

COMMITTEE RECOMMENDED ADJUSTMENTS

Advanced ICBM (M-X).—The Committee recommends the full authorization of $830,000,000 for procurement of five MX missiles and $158,000,000 for basing and support equipment. This is a $458,400,000 reduction from the budget estimate, and the funds related to basing are subject to restrictions in the authorizing legislation that require the President to submit a final basing decision for congressional review before related funds can be obligated.

In view of the mounting Soviet missile threat and delays resulting from continuing uncertainties over land based U.S. missile systems, the Committee considers it imperative to move forward as quickly as possible with the MX leg of the strategic triad. This recommendation is consistent with separate Committee proposals providing full funding support for the sea and airborne legs of the strategic system.

ALCM-B.—The recommended $125,000,000 reduction for air launched cruise missiles reduces production from the budgeted level of 440 to 350. This change is solely to gear missile procurement to the pace of B-52 modifications needed to provide these bombers with cruise missile carriage capability. The production slowdown also recog-

nizes the pending shift to an improved ALCM to replace the current ALCM-B missile.

Tomahawk (GLCM).—The Committee recommends a reduction of $47,300,000 in the Tomahawk ground launched cruise missile program, reducing the budgeted production level from 120 to 100 missiles. The cutback is tied to the Department's own revisions in production rates, but still permits a sharp increase over the 54-missile level of fiscal year 1982.

The Committee has recently approved a program to bring in a second Tomahawk producer with incentives from an indemnification plan. The recommended reduction limits quantities to those needed to support this plan. Advanced procurement has been cut back to make use of excess fiscal year 1982 funding made available by the reduced production program.

HARM.—The recommended $69,000,000 reduction in the HARM antiradiation missile accepts an outlay savings proposed by the Department. However, the Committee does not agree that second source qualification for missile production should be delayed. Every effort should be made to establish this dual source, and the Committee will entertain a reprograming request designed to accelerate reaching that goal.

Special programs.—Although the Committee recommends a $40,100,000 reduction in the budget estimate for special classified programs, the allowance is still within the overall authorization mark although the financing method differs. Committee changes are based on development of information previously unavailable.

Rapier.—In agreement with the authorizing legislation, the Committee recommends an increase of $50,000,000 to expand procurement of the Rapier surface-to-air missile. Program expansion is designed to extend the British-operated air defense system for U.S. Air Force bases in the United Kingdom to U.S. Air Force bases in continental Europe.

Minuteman III.—In the absence of specific authorization, the Committee recommends $15,000,000 with the provision that the requisite authorization must be enacted before the funding is available for obligation. The recommendation supports second year funding for deployment of 50 Minuteman III missiles as replacemets for the Minuteman II system. Expeditous authorization of this funding would prevent a gap in the program funded initially in fiscal year 1982. Deployment of the Minuteman III, which is currently stored as a test asset, will alleviate the current shortage of Minuteman II test assets. The current Minuteman II shortage undermines the reliability and confidence of this ICBM force.

Authorized changes.—The following changes are recommended in consonance with the authorizing legislation:

Maverick (AGM-65D)	−$97,700,000
ALCM modifications	−50,300,000
Defense satellite communications	−10,000,000
Special update programs	+40,500,000

Spares and repair parts.—The Committee recommends a reduction of $67,600,000 in procurement of spare parts in conjunction with its programmatic adjustments.

Multiyear procurement.—The Committee recommends multiyear procurement for the NAVSTAR global positioning system, the defense meteorological satellite program, and the integrated operational nuclear detonations detection system.

OTHER PROCUREMENT, AIR FORCE

1982 appropriation	$5,385,333,000
1983 budget estimate	5,839,200,000
Committee recommendation	5,556,437,000

The Committee recommends an appropriation of $5,556,437,000 for "Other procurement, Air Force." The recommendation is a decrease of $282,763,000 below the budget estimate.

This appropriation provides for the procurement of weapons systems and equipment other than aircraft and missiles. Included are munitions, other weapons, vehicles, electronic and telecommunications systems for command and control of operational forces, and ground support equipment for weapons systems and supporting structure.

The Committee recommendation will provide funding for the following program for fiscal year 1983:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Munitions and associated equipment	854,200	799,620
Vehicular equipment	350,400	350,400
Electronics and telecommunications equipment	1,427,300	1,314,186
Other base maintenance and support equipment	3,207,300	3,092,231
Total	5,839,200	5,556,437

COMMITTEE RECOMMENDED ADJUSTMENTS

MUNITIONS AND ASSOCIATED EQUIPMENT

BDU–50 inflatable retarder.—The Committee recommends $11,300,000 for procurement of the BDU–50 inflatable retarder. The recommendation is a reduction of $912,000 and is associated with 600 retarders which will not be delivered during the fiscal year 1983 funded delivery period.

CBU–90 (ACM).—The Committee recommends denial of the request for procurement of the CBU–90 antiarmor cluster munition (ACM). This program has been restructured to permit more development testing and analysis of the system prior to production. The restructured program will now permit initial production of the CBU–90 in fiscal year 1984. The denial of funds is nonprejudicial and reprograming of funds will be considered to fund long lead time production requirements, including purchase of material and tooling during fiscal year 1983.

CBU-87 (CEM).—The Committee recommends $25,000,000 for procurement of the CBU-87 combined effects munition (CEM). There was no budget request for this item which completed its testing in September 1982 and is now ready for production. Testing results have been excellent and the munition is ready for production. It is the view of the Committee that initial production can be commenced with minimal risk.

M-206 cartridge flare.—The Committee recommends $38,700,000 for the M-206 cartridge flare. The recommendation is a reduction of $13,796,000 from the President's budget. The cost estimate for this flare was overestimated.

FMU-112/FMU-139.—The Committee recommends $8,340,000 for procurement of the FMU-112 fuze. The recommendation concurs with the budget estimate. The FMU-112 fuze only recently entered low-rate production and testing continues on the Navy FMU-139 fuze.

30mm API.—The Committee recommends $64,600,000 for procurement of the 30mm API cartridge. The recommendation is a reduction of $1,000,000 from the budget estimate and reflects updated cost information.

Authorization reductions.—The Committee concurs with the following reductions reflected in the Department of Defense Authorization Act, 1983:

Items less than $90,000	−$592,000
Bomb, practice, BDU-33	−5,000,000
9mm handgun	−3,908,000

ELECTRONICS AND TELECOMMUNICATIONS EQUIPMENT

Range improvements.—The Committee recommends $68,400,000 for range improvements. The recommendation is a reduction of $5,749,000 from the budget estimate. This program has experienced significant growth in recent years. A number of items planned for procurement during fiscal year 1983, including video edit improvements and unmanned threat emitters, can be deferred to fiscal year 1984.

Radar bomb scorer.—The Committee recommends $5,000,000 for the radar bomb scorer system. The recommendation is a reduction of $15,675,000 from the budget estimate. The system, designed to score bombing accuracy for SAC crews, has been delayed and the scheduled procurement of eight production systems can be deferred to fiscal year 1984.

Communications-electronics class IV modifications.—The Committee recommends $44,000,000 for modifications to in-service communications-electronic systems and equipment. The recommendation is a reduction of $5,510,000 from the budget estimate. This line item has experienced substantial growth in recent years and proper prioritization of requirements will insure that the most worthy modifications are accomplished within the recommended funding.

Consolidated Space Operations Center.—The Committee recommends $6,736,000 for the Consolidated Space Operations Center. The recommendation is a reduction of $14,000,000 from the budget estimate.

The Consolidated Center will serve as a backup for the present space operations center at Sunnyvale, Calif. Plans continue as to the proper configuration and capability to be available in the proposed Consolidated Center. It is the view of the Committee that the computer capability planned for procurement with fiscal year 1983 funding is presently obsolete. The Committee recommends that funding for the computer capability be deferred pending determination of the computer capability and Center requirements.

Authorization reductions.—The Committee concurs with the following reductions reflected in the Department of Defense Authorization Act, 1983:

Tactical SIGINT support	−$2,000,000
Distant early warning radar	−31,244,000
Transport ground intercept facility	−16,355,000
SEEK TALK	−10,472,000
General reduction	−12,109,000

OTHER BASE MAINTENANCE AND SUPPORT EQUIPMENT

Base mechanization equipment.—The Committee recommends $12,000,000 for procurement of base maintenance equipment. The recommendation is a reduction of $2,645,000 from the budget estimate.

Funds in this item support procurement of mechanized and automated material handling equipment for approximately 80 bases worldwide. The recommendation will provide an increase of $3,700,000 above the appropriation for fiscal year 1982.

Pallet, air cargo.—The Committee recommends $12,000,000 for procurement of air cargo pallets. The recommendation is a reduction of $2,766,000 from the budget estimate. The pallet is constructed of an aluminum rail frame with aluminum thermal bonded to a balsa wood core for cargo handling in airlift aircraft.

Over 80 percent of the authorized inventory objective for this pallet is on hand and additional pallets will be procured in fiscal year 1984.

Productivity enhancement.—The Committee recommends $11,000,000 for procurement of equipment to enhance capital investment projects and improve the efficiency and effectiveness of Air Force assignments. The recommendation is a reduction of $2,829,000 from the budget estimate and will allow a slower rate of increase for this program than budgeted.

Wartime host nation support.—The Committee recommends denial of the funding request of $4,306,000 for procurement of equipment to support German Reserve units which are designated to provide support to United States forces during periods of conflict. The Committee notes that the exact quantities and types of equipment have not been definitized and recommends the requirement be deferred to consideration for fiscal year 1984.

Authorization reductions.—The Committee concurs with the following reductions reflected in the Department of Defense Authorization Act, 1983:

Intelligence production activity	−$1,500,000
Photo processing/interpretation systems	−1,200,000
Selected activities	−99,823,000

National Guard and Reserve Component Equipment

1982 appropriation	$50,000,000
1983 budget estimate	
Committee recommendation	200,000,000

The Committee recommends an appropriation of $200,000,000 in a separate account to provide military equipment to the National Guard and Reserve components of the services. There was no specific budget estimate for this activity.

The Committee's recommended allocations under this new account are in agreement with the authorizing legislation and are detailed below:

[In thousands of dollars]

	Budget estimate	Amount
Army National Guard		70,000
Army Reserve		40,000
Naval Reserve		30,000
Marine Corps Reserve		15,000
Air National Guard		20,000
Air Force Reserve		25,000
Total		200,000

In recommending this dedicated funding for the National Guard and Reserve components, the Committee again notes its strong and continuing interest in supporting the total military. Further, the Committee's allocations reflect the relative needs of the components and provides equipment that would not otherwise be available in the immediate future.

The Committee is encouraged by the manner in which the fiscal year 1982 funds were invested. For example, the West Virginia Army National Guard has a shortage of $10,900,000 of equipment to include mortar carriers, howitzers, and command post vehicles. Some of each of these vehicles was bought with the fiscal year 1982 funds. In that State, the largest shortage is $1,500,000 (14 percent of the total) worth of 5-ton trucks. The Army advises that this truck will be bought with the funds recommended by the Committee. The picture is the same in virtually every other State. In short, the Committee feels new equipment is starting to move toward the Guard and Reserve and the momentum must be maintained.

The Army is directed to provide 450 M–2 .50 caliber machine guns to the Army National Guard from the fiscal year 1982 procurement initiated by reprograming.

PROCUREMENT, DEFENSE AGENCIES

1982 appropriation	$518,000,000
1983 budget estimate	879,284,000
Committee recommendation	830,884,000

The Committee recommends an appropriation of $830,884,000, a decrease of $48,400,000 below the budget estimate.

This appropriation provides for procurement of capital equipment for the Defense Communications Agency, the Defense Investigative Service, the Defense Mapping Agency, the Defense Logistics Agency, and other agencies of the Department of Defense. The fiscal year 1983 program includes procurement of automatic data processing equipment, mechanical materials handling systems, general and special-purpose vehicular equipment, communications equipment, and mapping, charting, and geodetic equipment.

PROGRAMS AND ACTIVITIES

Defense Communications Agency.—An appropriation of $28,347,000 is recommended for procurement of mission-essential equipment for the Defense Communications Agency.

Defense Contract Audit Agency.—An appropriation of $395,000 is recommended for the procurement of equipment to support the mission requirements of the Defense Contract Audit Agency. The Agency provides contract audit and financial advisory services to DOD components with procurement and contract administration responsibilities.

Defense Investigative Service.—An appropriation of $4,344,000 is recommended for the procurement of equipment to support the mission requirements of the Defense Investigative Service which conducts personnel security investigations for the Department of Defense and, when authorized, law enforcement investigations of activities involving DOD components and DOD contractors.

Defense Logistics Agency.—An appropriation of $23,651,000 is recommended for the procurement of equipment to support the activities and missions of the Defense Logistics Agency.

Defense Mapping Agency.—An appropriation of $22,836,000 is recommended for procurement of equipment for the support of Defense Mapping Agency activities.

Defense Nuclear Agency.—An appropriation of $2,372,000 is recommended to procure equipment to support the mission requirements of the Defense Nuclear Agency.

Office, Secretary of Defense.—An appropriation of $21,311,000 is recommended for the procurement of equipment for the support of Secretary of Defense activities. Funds are included for the Washington headquarters services, the Joint Chiefs of Staff, the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), and OSD field activities, including the American Forces Information Service, the Department of Defense dependents schools, the medical information systems, the Defense Audiovisual Agency, and the U.S. Court of Military Appeals.

Uniformed Services University of the Health Sciences.—An appropriation of $1,285,000 is recommended for the cost of equipment for the operation of the School of Medicine in the Uniformed Services University of the Health Sciences.

Special activities.—An appropriation of $721,889,000 is recommended for the procurement of equipment to support a number of special activities of the Department of Defense.

TITLE V

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The fiscal year 1983 Department of Defense budget for research, development, test, and evaluation totaled $24,312,700,000. The accompanying Senate bill contains $22,876,984,000. This is a reduction of $1,435,716,000 from the revised fiscal year 1983 budget. The following table summarizes the budget estimates and Committee recommendations:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Research, development, test, and evaluation:		
Army	4,484,000	3,820,690
Navy	6,232,300	6,013,153
Air Force	11,278,200	10,835,468
Defense Agencies	2,258,200	2,152,673
Director, test and evaluation, Defense	60,000	55,000

COMMITTEE OVERVIEW

The fiscal year 1983 budget request for defensewide research, development, test and evaluation is approximately 9.4 percent of the entire budget of the Department of Defense. Real growth budgeted for fiscal year 1983 totaled 14 percent for both budget authority and outlays. As the following chart supplied by the Department at the Committee's research, development, and acquisition hearing indicates, the vast majority of this real growth is occurring in programs of the Air Force, Defense Agencies and, to a lesser extent, Army. Real growth in the Navy R.D.T. & E. program is only 1 percent for fiscal year 1983.

R.D.T. & E. PROGRAM COMPARISON

BUDGET AUTHORITY

[Dollar amounts in millions]

	FY 1982 enacted	FY 1983 budget estimate	Dollar increase	Percent increase	Percent real growth
Army	$3,610	$4,484	+$874	+24	+17
Navy	5,807	6,232	+425	+7	+1
Air Force	[1]8,876	[2]11,221	+2,345	+26	+19
Defense Agencies/D.T. & E	1,751	2,320	+569	+32	+25
Total	20,044	[3]24,257	+4,213	+21	+14

[1] Includes $57,000,000 fiscal year 1982 supplemental request.
[2] Budget amendment increased to $11,278,200,000.
[3] Increased to $24,312,700,000.

OUTLAYS

[Dollar amounts in millions]

	FY 1982 enacted	FY 1983 budget estimate	Dollar increase	Percent increase	Percent real growth
Army	$3,366	$4,039	+$673	+20	+13
Navy	5,412	5,947	+535	+10	+3
Air Force	7,969	10,197	+2,228	+28	+20
Defense Agencies/D.T. & E	1,552	2,017	+465	+30	+22
Total	18,299	22,200	+3,901	+21	+14

Growth issues.—The sizable real growth in the research and development budget request is primarily directed at improvements for U.S. strategic nuclear forces, intelligence and communications programs, space activities, and new program starts. Much of this real growth is required to correct near-term deficiencies in our defense posture, provide for adequate force modernization and establish a stable base from which to make long-range planning in the acquisition area. As such, the Committee is supportive of increased investment in defensewide research and development.

However, as the Committee has noted elsewhere in this report, the ceilings imposed upon defense spending through the congressional budget process have necessitated that reductions be made beyond those of the authorization bill to all defense activities, including research and development. The Committee has carefully reviewed new program starts this year and concluded that many with potential but lacking firm cost or schedule planning will have to be deferred. The Committee has also chosen to decrease funding for programs having marginal military utility or which have the net effect of constraining budgetary support for other essential defense research and development efforts. In making its reduction, the Committee has sought to provide full support for all important, ongoing R. & D. programs that meet essential near-term U.S. military requirements that cannot afford to be deferred. Where

cuts have been made, they have been concentrated on new starts, program accelerations, marginal initiatives, and programs lacking firm cost-effectiveness criteria.

The recommended research and development program represents an increase of more than $3,000,000,000 over the fiscal year 1982 appropriation, for a real growth of approximately 9 percent. This is maximum real growth under the ceilings imposed by the fiscal year 1983 budget process.

Basic research.—The Committee notes its continuing support for the technology base modernization efforts of the military services and the programs of the Defense Advanced Research Projects Agency. Increased investment in basic research and innovative technology is a high R. & D. priority which the Committee has supported in this bill by fully funding this year's program to start a triservice university research instrumentation initiative. The DARPA program, also strongly supported by the Committee, continues the effort to pursue development of both long- and short-wave length chemical laser technology for space-based applications.

Tactical aircraft.—The Committee has agreed to fund the F–15E and F–16E programs at the full authorized level but must state that it expects this program to be conducted as presented to Congress this year—a development competition in which only one aircraft proceeds to full-scale engineering development, and possibly, production. The Committee will not support development of both the F–15E and the F–16E. Air Force requirements in the field of tactical aircraft lead the Committee to the conclusion that such a dual-development program would be harmful to the Air Force's greater need—development of an advanced tactical fighter for the 1990's.

The Committee has also chosen to appropriate funds in excess of authorization to accelerate the development of the C–17 aircraft. The Air Force research and development section clearly outlines the rationale behind the Committee's actions. A total of $200,000,000 is recommended to accelerate the development of the C–17 aircraft.

R. & D. priorities.—The Committee has fully funded the vast majority of essential research and development programs authorized by Congress. The recommended research and development program will permit ongoing development for all major Army programs continuing from last year; permit the Navy to pursue its most essential development programs, the DDG–X, the advanced lightweight torpedo and the MK 48 ADCAP program; and permit full funding for nearly all of the major Air Force strategic and tactical programs. The Committee also provides full support for all DARPA projects except Project SORAK, a Korean equipment upgrade initiative.

Authoritative analyses indicate Soviet investment in defense research and development activities exceeded that of the United States by nearly $120,000,000,000 between 1971 and 1981. The estimated dollar costs of the Soviet R.D.T. & E. program during this period surpassed those of the United States by more than 50 percent on an annual basis. The Committee understands that the United States cannot expect to out-

spend the Soviets in defense research and development, but it does support the effort inaugurated by the administration to close this gap, modernize U.S. strategic and tactical forces and protect the U.S. lead-time advantage in military critical technologies by developing a more restrictive policy toward the export of high technology to the Soviet Union.

The Committee believes that its actions demonstrate that certain carefully targeted reductions to the research and development budget request can be made without impairing the general thrust of the administration's defense research and development program. Its actions have shown that R.D.T. & E. resources can be directed under a substantially reduced budget ceiling to those areas having the greatest potential for high military payoff. In achieving these budget reductions, the Committee believes that it has acted responsibly, and that it has shown a continuing support for the overall research and development program.

Research, Development, Test, and Evaluation, Army

1982 appropriation	$3,609,535,000
1983 budget estimate	4,484,000,000
Committee recommendation	3,820,690,000

The Committee recommends an appropriation of $3,820,690,000, a reduction of $663,310,000 in the budget request.

[In thousands of dollars]

	Budget estimate	Committee recommendation
Technology base	699,701	676,895
Advanced technology development	314,528	258,654
Strategic programs	919,001	569,001
Tactical programs	1,678,959	1,498,290
Intelligence and communications	73,056	73,056
Defensewide mission support	798,755	748,794
Consultants		-4,000

Programs and Activities

The budget activities and programs funded under this appropriation are discussed below. These activities and programs require annual authorization prior to appropriations pursuant to the provisions of section 412(b) of Public Law 86–149, as amended.

TECHNOLOGY BASE

The recommended program includes $676,895,000 for technology base. This activity finances basic research and exploratory development with the primary objective of increasing the store of fundamental scientific knowledge adaptable to the solution of widely varying future Army requirements. A strong technology base is needed in order to (1) maintain technological superiority in military weapons, thus offsetting adversary numerical advantages, (2) avoid technological surprise that could cause premature obsolescence of major weapons systems, and (3) lead

to acquisition of effective but less costly capabilities by using innovative products built on new technology.

The Committee recommends the following changes to the budget estimate in Army technology base programs:

[In thousands of dollars]

	Budget estimate	Committee recommendation
High-energy laser technology	31,327	45,000
Chemical munitions/chemical combat support	14,829	12,289
Mobility and weapons effects technology	8,410	7,500
Manpower/personnel/training	7,370	6,370
Clothing equipment and shelter technology	6,970	4,900
Cold regions engineering technology	6,660	6,100
Military disease hazards technology	24,979	23,712
Combat maxillofacial injury	2,619	2,022
Systems health hazards prevent technology	18,066	16,500

High-energy laser technology.—The addition of $13,673,000 would complete the design and initiate fabrication, long-lead procurement, and test planning for the demonstration of close combat laser assault weapon (CCLAW)/Roadrunner. These funds are required to continue the Army laser weaponization effort.

The Committee notes that the authorization conference denied funding for a demonstration of both CCLAW and the forward area laser weapon. The Committee encourages the Army to plan for laser weapon demonstrations in future budget years.

Chemical munitions/chemical combat support.—The reduction of $2,000,000 will slow accelerated development of a chemical munitions family incorporating new munitions concepts with binary intermediate volatility agents (IVA) fills. Accelerated work on new IVA fills appears premature given the congressional decision to defer the authorization for production of binary munitions. The Army should present an accelerated IVA fill program only after the binary production issue has been favorably resolved.

Mobility and weapons effects technology.—A reduction of $910,000 in chemical protection research restricts a budgeted program increase of more than 25 percent.

Manpower/personnel training.—The reduction of $1,000,000 will provide funding commensurate with the level of effort in manpower-related research in recent years. The Army provided no credible justification for expanding this personnel management program.

Clothing equipment and shelter technology.—A reduction of $2,070,000 is made to this item in favor of higher priority activities in the Army technology base budget.

Cold regions technology.—The reduction of $560,000 will slow SNOW test series research which analyzes the reflectance characteristics of the winter battlefield and the potential of [illegible] fog as a tactical offensive camoflauge measure. The Committee believes that this program should concentrate on such problems as bridging, foundation construction, airfield repair, and mine/countermine performance.

Military disease hazards technology.—The Committee recommends a reduction of $1,267,000 as a part of a technical adjustment made to the Army/Navy research budgets to permit consolidation of medical R. & D. programs.

Combat maxillofacial injury.—The reduction of $597,000 is a technical adjustment requested by the Department to permit consolidation of Army/Navy medical research and development programs.

Systems health hazard prevention technology.—The reduction of $1,566,000 is made to curb the growth of this health hazards program. Budgeted expansion of nearly 30 percent was not fully explained by the Army justifications.

Authorization reductions.—The Committee has also recommended the following reductions in Army technology base programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Defense research sciences	199,921	184,000
Aircraft avionics technology	8,389	7,389
Aeronautical technology	24,349	22,349
Missile technology	37,651	32,651
Communications technology	9,719	8,719
RPV supporting technology	1,588	

ADVANCED TECHNOLOGY DEVELOPMENT

The recommended program includes $258,654,000 for advanced technology development. This activity provides for exploration of alternatives and concepts prior to development of specific weapons systems. New technological developments are pursued which are not formally identified to specific operational requirements. This effort includes feasibility demonstrations of innovative new concepts and emphasizes hardware competition and pursuit of alternate solutions to potential military problems. Particular emphasis is placed on demonstrating new concepts to provide improved land warfare capabilities in the 1980's and 1990's, including land and helicopter vehicles and related propulsion and electronics technology, land warfare target detection, acquisition and weapon technology, chemical/biological defense, training and personnel technology, and medical developments related to combat personnel.

The Committee recommends the following changes in the budget request for advanced technology development:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Aircraft weapons	5,581	200
Air mobility support	3,784	3,649
Combat vehicle armor/anti-armor	10,888	8,888
Manpower and personnel	9,747	6,360
Advanced development automatic test equipment	11,335	5,330

Aircraft weapons.—The reduction of $5,381,000 would delete funding for two projects—aircraft weapons fire control and air self-defense systems. The aircraft weapons fire control project was not authorized. The air self-defense systems project, a new start, would seek to develop an active recoil mechanism for helicopter turreted cannons to reduce airframe vibration. This project can be deferred without jeopardizing AH-1S self-defense capabilities.

Air mobility support.—The reduction of $135,000 would defer a new start to fabricate prototype hardware for developmental testing of repair concepts for battle-damaged helicopters. The project is not considered an urgent requirement.

Combat vehicle armor/anti-armor.—The Committee recommends the reduction of $2,000,000 for combat vehicle armor/anti-armor be applied against the far-term combat vehicle anti-armor project. This will still permit research to be conducted on far-term efforts demonstrating an improved 105 mm kinetic energy round, optimization of a 100 to 125 mm fly-over-shoot-down warhead and initial design of a 150 mm shaped charged warhead. The reduction should be applied against the far-term efforts rather than the demonstration of the 105 mm improved kinetic energy round. Full funding is recommended for the combat vehicle survival armor project, which will initiate development of new reactive armor to protect combat vehicles from anticipated future Soviet ballistic threats.

Manpower and personnel.—The Committee recommends a reduction of $3,387,000 made against an Army increase above that projected in fiscal year 1982 which would restructure the Armed Services vocational aptitude battery project and modernize the Army personnel data system through application of information and microelectronics technology. The Committee prefers the Army to defer these projects and return to the program envisioned last year.

Advanced development of automatic test systems.—The reduction of $6,005,000 assumes an authorization reduction of $4,335,000 and also an increase of $1,670,000 brought forward for the program from a congressional decrease made to the ATE effort last year. The Committee questions whether this program is of sufficiently high priority to warrant an accelerated acquisition strategy leading to a request for proposal for new Army automatic test equipment. Last year, the Army was willing to give up $7,000,000 appropriated for this program to support other research and development. The Army should submit a revised 5-year spending profile for this program before developing any further funding requests.

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Authorization reductions.—The Committee has also recommended the following reductions in Army advanced technology development programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Light helicopter adv demo	944	
High-energy laser components	33,116	
High-technology test bed	10,711	7,300
Combat engineering systems	2,730	1,730
Nontactical ADP technology	495	

STRATEGIC PROGRAMS

The recommended program includes $569,001,000 for strategic programs. This activity provides for all research and development efforts on strategic offensive, defensive, and control systems. Primary emphasis is on ballistic missile defense.

Ballistic missile defense systems technology.—The Committee recommends a reduction of $350,000,000 in the Army ballistic missile defense systems technology program in conformance with the authorized program. The authorization reduced the BMD systems technology on the grounds that the low altitude defense program should not be accelerated at a time when a basing mode for the MX missile had not been selected. The budget request would have supported an acceleration in the LoAD's program to permit possible defense of both MX and Minuteman missiles. Any decision on ABM defense on land-based ICBM's would have to take into account restrictions on ABM interceptor and radar deployment contained in the 1972 ABM Treaty. Additional research and development in ABM defense technology have never been prohibited by the treaty, however, and the Committee recognizes a need for ballistic missile defense technology both to provide a hedge against any possible Soviet abrogation of the ABM Treaty and to develop a supplementary component for a silo-based MX deployment option.

TACTICAL PROGRAMS

The recommended program includes $1,498,290,000 for tactical programs. This activity provides for advanced engineering, and operational systems development efforts on all aspects related to all conflict levels of tactical warfare, with emphasis on land warfare, and battlefield air mobility, and related combat support. This includes developments to improve the Army's capabilities in the combat missions of battlefield surveillance, close combat, aerial and surface fire support, field army air defense, and mine warfare, plus improved capability in the related support missions of air and surface mobility, logistics-personnel support, communications, command and control, navigation, position locating, electronic warfare, physical security, and chemical/biological defense.

The Committee recommends the following major changes to the budget estimate, in accordance with the authorization:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Antitactical missile	27,172	
Lethal chemical munitions concepts	13,733	11,000
Battlefield data systems programs	29,759	15,000
Army helicopter improvement program (AHIP)	75,811	65,811
Joint services rotary wing program	49,765	30,000
Copperhead	2,075	
Education and training	995	
Chemical defense material	26,017	23,517
Classified programs	174,087	168,387
Stinger-POST		4,000

Antitactical missile.—The Committee recommends against starting the Army antitactical missile program. The ATM program has been initiated after analyses done by the Army Science Board and Defense Science Board indicated a need to provide both a near- and long-term solution to the Soviet tactical missile threat in Europe. The Committee is cognizant of the threat and believes that the program should be initiated some time in the future. However, the total extent of the inventory requirement and estimated program cost have not been identified, in part due to the need to conduct additional concept definition and analysis of armaments performance tradeoffs. The Committee expects the Army to develop firmer cost, schedule, and inventory objectives prior to committing to the ATM development program.

Lethal chemical munitions concepts.—The reduction of $2,733,000 is made to slow the accelerated development of a new binary warhead for the multiple launch rocket system (MLRS) and the 8-inch projectile. The program submitted by the Army would have permitted a 4-year acceleration for completion of advanced development of the 8-inch binary IVA projectile.

The Committee reiterates its continued support for research and development in the field of chemical munitions. However, it believes that accelerated development of new binary warheads for these projectiles is now premature, particularly given congressional action on the authorization deferring binary munitions production. The Army should submit a plan to accelerate 8-inch binary warhead development only if the decision on production of the 155 mm binary munition is reversed. Lower-level research and development efforts are preferred over an accelerated program which may not progress to the procurement stage.

Battlefield data systems.—The Committee recommends an appropriation of $15,000,000 for the battlefield data systems program. These funds are provided to permit completion of feasibility studies, systems definition, and airborne subsystems efforts for the BDS program.

BDS was presented to Congress as a replacement for SOTAS, which was terminated in 1981. BDS differed from SOTAS in that it would employ a fixed-wing OV–1D aircraft, rather than a UH–60 helicopter as the airborne platform and would use significantly more off-the-shelf

radar technology. BDS would provide real time radar data of the troop movement of enemy second echelon forces and would have a longer detection range than SOTAS.

In May 1982, BDS was merged with the Air Force PAVE MOVER program to form the joint surveillance and target attack radar system (JSTARS). Preliminary cost estimates for the JSTARS program have been provided to the Committee, but they are not broken out by year or by system. The Committee prefers to have more than an order of magnitude budget profile for the program before it agrees to fund fully this restructured effort. The Committee will be willing to entertain a reprograming for the new JSTARS program if the systems and cost/schedule concerns it has outlined are met. The funds provided in fiscal year 1983 should be used toward that purpose.

Army helicopter improvement program.—The reduction of $10,000,000 is recommended because of continuing cost growth in the AHIP program. The Army budget request reported a net cost growth of $29,900,000 for AHIP over the fiscal year 1983 estimate made for the program last year. A reduction will put the Army on notice that the Committee expects it to seek out cost reduction measures to keep the program affordable.

The Committee supports continuation of the AHIP development program, particularly because of the utility it sees in using modified OH–58's to provide target acquisition and designation for Army attack helicopters. Army plans call for AHIP scout helicopters to be deployed in units equipped with the AH–64. Army analyses also show that AHIP would help reduce losses for AH–1S attack helicopters. Given the importance of the program, the Army should be more vigorous in controlling cost growth.

Joint services rotary wing program.—The Committee recommends an appropriation of $30,000,000, the full authorization for the joint services rotary wing program (JVX).

The JVX program was requested this year for the purpose of developing a common airframe from which each of the services could meet their future vertical lift requirements. The Marine Corps wanted 552 assault and medical evacuation helicopters; the Army wanted 284 SEMA–X aircraft; the Air Force wanted 200 special operations and search/rescue aircraft; the Navy wanted 50 search and rescue aircraft. Through the use of a common airframe it was hoped that total research and development costs could be minimized. However, cost estimates for the JVX program will not be developed until mid-October. This could be a $20,000,000,000 acquisition program, assuming that the cost of procuring 1,086 tilt-rotor aircraft runs at a unit cost approaching $18,000,000 to $20,000,000 per copy. This alone would seem to necessitate that the JVX program be placed on the selected acquisition report (SAR) list. Moreover, the Committee has been informed that the Army and Air Force are considering use of the modern technology engine in their aircraft, a development program which could add $500,000,000 to $600,000,000 to the cost of the program. The Committee notes that the current XV–15 aircraft is in essence a model of an aircraft that would

have to be scaled up to two to three times its current weight to meet JVX requirements.

The Committee is supportive of advanced technology development in the field of new rotary wing technology. However, it expects that full cost and schedule profiles be provided for the JVX program next year in support of continued funding.

Copperhead.—The Committee recommends deletion of $2,075,000 requested for research and development related to the Copperhead 155 mm semiactive laser guided projectile. The authorization conference terminated Copperhead production on the grounds that inventory levels were generally sufficient to meet current planned inventory requirements, and also because Copperhead had experienced technical difficulties and cost growth. The fiscal year 1983 research and development money would have completed the warhead improvement program in time to verify it in the fiscal year 1984 production contract. The Committee suggests that the Army complete the warhead improvement program, if deemed a high enough priority, within available funds.

Education and training.—The Committee recommends deletion of the $995,000 budget request for education and training. This new start was to develop joint-services, low-cost prototype hardware and software to meet present service training deficiencies. A major portion of the request is for development of electronic war games and improved visual display technology. The Committee does not believe these to be urgent joint-service requirements. More analysis should be done on the actual benefit such technology has on improving trainee skills prior to making a commitment to prototype hardware and software development.

Chemical defense material.—The Committee recommends a reduction of $2,500,000 related to continuing development of the XM 30 mask. This program started in 1974, and over an 8-year period the Army has invested $45,500,000 to develop a suitable replacement for the M17A1 mask, as well as other Air Force and Navy masks.

In January 1982, the U.S. Army Development and Readiness Command and the U.S. Army Doctrine and Training Command jointly recommended the Army not field the XM 30 mask because it provided no significant improvement over the M17A1 in two critical areas: compatibility with optical devices/weapons sights and soldier performance of critical combat tasks. However, the Air Force and Navy have asked the Army to complete engineering development of the XM 30, and have stated that if producibility problems can be corrected, they might procure the mask.

The Committee recommends against continued development of the XM 30 mask. The Army should not be asked to develop a mask it has chosen not to field. Should the Air Force and Navy believe that the XM 30 mask has the potential to meet their unique service requirements for a chemical defense mask, they should be willing to finance the completion of the development program. Otherwise, the program should be terminated.

Classified programs.—The Committee recommends an appropriation of $169,087,000 for the classified tactical programs of the Army. This is

a reduction of $5,700,000 to the budget request. The allowance is detailed in the classified annex to the Committee report.

Stinger-POST.—The Committee recommends an unauthorized $4,000,000 for additional testing and research and development work, as necessary, on the Stinger-POST program. The Committee believes that this additional work is required before the system goes into full production.

Authorization reductions.—The Committee also recommends the following reductions in Army tactical programs in conformance with the authorization act:

[In thousands of dollars]

Programs	Budget estimate	Committee recommendation
SEMA-X	498	
Surf-surf missile rocket system	16,407	6,400
Advanced rocket control system	27,869	
Lightweight air defense system	3,466	
Rattler	17,900	5,000
Mobile protected gun	37,354	12,354
Command and control	22,213	20,000
UH-60A Blackhawk	6,708	5,664
Aircraft propulsion systems	1,007	
Aircraft component improvement program	10,996	8,000
Hellfire	19,327	16,300
Bradley fighting vehicle system	50,488	46,000
Command and control	13,650	10,600
Communications systems engineering	1,485	

INTELLIGENCE AND COMMUNICATIONS

The recommended program includes $73,056,000 for intelligence and communications. This activity provides for advanced, full scale engineering and operational systems development efforts in intelligence, worldwide communications, and other defensewide mission support.

DEFENSEWIDE MISSION SUPPORT

The recommended program includes $748,794,000 for defensewide mission support. This activity provides for efforts directed toward support of installations or operations required for use in general research and development and not allocable to specific missions. Included are technical integration efforts, technical information activities, major test ranges, test facilities and general test instrumentation, target development, support of user test, international cooperative research and development, and other research and development support.

The Committee recommends the following changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Support of operational testing	50,106	47,038
DARCOM major range/test facilities	300,671	295,000
Productivity investment funding (Project RESHAPE)	34,139	14,139
Consultants		-4,000

Operational testing.—The reduction of $3,068,000 would defer three new project starts—U.S. Army Operational Test and Evaluation Agency support equipment; development and acquisition of threat simulator; and National Training Center support. These do not appear to be urgent, high priority projects and can be reinstated in subsequent years.

DARCOM major range/test facility.—The reduction of $5,671,000 is being applied against the Army effort to accelerate reductions in backlogs in base and real property maintenance. The reduction should be applied on a percentage basis against all DARCOM test facilities—Yuma, Aberdeen, Dugway, White Sands, and the Electronic Proving Ground. DARCOM absorbed a similar congressional reduction last year without major disruption to its efforts to modernize instrumentation and replace obsolete test equipment.

Productivity investment funding (Project RESHAPE).—The Committee recommends a reduction of $20,000,000 to Project RESHAPE, an Army new start to test on an experimental basis new Army productivity enhancing and management initiatives. Project RESHAPE (resource self/help affordability planning effort) was requested by DARCOM to experiment with management initiatives such as overtime, overhire, and gain-sharing as a substitute for use of full-time employees whose services are needed only at peak periods. The Army could not satisfy Committee concerns that the project was overbudgeted, given the fact that it is only in the experimental phase. The Army should report back to the Committee on the success it has with Project RESHAPE prior to July 1, 1983.

Consultants.—The Committee recommends that the consultant services provided for the Army be reduced by $4,000,000.

Authorization reductions.—The Committee has also recommended the following reductions in Army defensewide mission support programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Tradoc studies and analyses	3,287	1,487
Defense systems management college	202	
Programwide activities	70,101	65,000
MAINSITE	17,119	3,000

Defense research sciences.—The Committee concurs in the reduction of $15,921,000 in the authorization bill. Part of this reduction is to be applied against an adjustment to be made internally by OSD to the Army/Navy medical research budgets. The Committee directs that none of the remaining reduction be applied against the university research instrumentation initiative.

Special electronic mission aircraft–X (SEMA–X).—The Committee recommends deletion of an Army new start, the special electronics mission aircraft–X, or SEMA–X. The program, the Army variant of the proposed joint services rotary wing aircraft, was not authorized.

SEMA–X is proposed as a new Army airborne intelligence and electronic warfare aircraft to replace current fixed-wing OV–1D's, RV–1D's, RU–21's and helicopters such as the EH–1 and EH–60 performing these missions. The SEMA–X would be the IEW airborne platform for the corps commander in the 1990's. Because SEMA–X is not authorized, the Committee asks the Army to provide an up-to-date analysis of the life expectancy of the current inventory of Army airborne intelligence and electronic warfare platforms. This will help determine whether a SEMA–X type aircraft should properly be a part of any future restructured vertical lift joint services program.

Remotely piloted vehicles.—The Committee has recommended the full budget request for the Army remotely piloted vehicle program. RPV's are unmanned flying drones which use television and forward-looking infra-red (FLIR) sensor technology to perform battlefield reconnaissance and target acquisition missions. RPV's will provide Army artillery units video transmissions so that a forward controller can adjust fire for laser-seeking weapons, such as Copperhead.

The Committee believes the time has come to move forward with RPV technology. A February 26, 1982, report by the GAO stated that successful deployment of RPV's could result in major improvements in Army combat capabilities. However, the report also expressed concern over the stability of the RPV program and lack of direction from the Office of the Secretary of Defense.

The Committee expresses similar concerns over the management of the RPV program. This year, in response to Committee inquiries on the priority of the RPV program within the Army budget, the Army stated that "* * * RPV's will continue to receive the highest sustained funding possible but competing priorities may not assume it a stable funding profile."

The Committee believes that current Army and OSD attitudes may prevent RPV technology from ever reaching the field. This lack of support comes at a time when RPV technology is rapidly advancing.

The Committee directs the Department of the Army to provide a special study on the RPV program by June 30, 1983, which should clearly outline: Army deployment plans with up-to-date program milestones and objectives; projected funding for the next 8 years; a firm delineation of mission requirements; the potential for use with Army light infantry divisions; and projected Army laser guided projectile weapon

inventories, and how they might affect the stability of the RPV development program.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

1982 appropriation	$5,844,357,000
1983 budget estimate	6,232,300,000
Committee recommendation	6,013,153,000

The Committee recommends an appropriation of $6,013,153,000 for the Navy's research, development, test, and evaluation programs, a reduction of $219,147,000 to the budget request.

[In thousands of dollars]

	Budget estimate	Committee recommendation
Technology base	853,427	833,820
Advanced technology development	165,122	156,433
Strategic programs	668,939	643,162
Tactical programs	3,678,085	3,525,744
Intelligence and communications	247,806	261,464
Defensewide mission support	618,921	601,651
Consultants		-9,121

PROGRAMS AND ACTIVITIES

The budget activities and programs funded under this appropriation are discussed below. These activities and programs require annual authorization prior to appropriations pursuant to the provisions of section 412(b) of Public Law 86–149, as amended.

TECHNOLOGY BASE

The recommended program includes $833,820,000 for technology base. This activity finances basic research and exploratory development with the primary objective of increasing the store of fundamental scientific knowledge adaptable to the solution of widely varying future Navy requirements. A strong technology base is needed in order to (1) maintain technological superiority in military weapons, thus offsetting adversary numerical advantages, (2) avoid technological surprise that could cause premature obsolescence of major weapons systems, and (3) lead to acquisition of effective but less costly capabilities by using innovative products built on new technology.

The Committee recommends the following major changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Defense research sciences	290,051	285,000
Personnel and training technology	7,259	6,859
Ships/subs/boats technology	44,156	30,000

Defense research sciences.—The reduction of $5,051,000 will defer new project starts requested by the Navy. The Committee directs the reduction not be applied against the university research instrumentation initiative or against the naval research graduate fellowship program.

Personnel and training technology.—The reduction of $400,000 will reduce by half the Navy effort to widen its manpower base programs and accelerate efforts to enhance basic recruit skills.

Ships/subs/boat technology.—The $14,156,000 reduction in naval vessel technology conforms to the authorization mark.

ADVANCED TECHNOLOGY DEVELOPMENT

The recommended program includes $156,433,000 for advanced technology development. This activity provides for exploration of alternatives and concepts prior to development of specific weapons systems. New technological developments are pursued which are not formally identified to specific operational requirements. This effort includes feasibility demonstrations of innovative new concepts and emphasizes hardware competition and pursuit of alternate solutions to potential military problems. Particular emphasis is placed on demonstrating new concepts to provide improved naval warfare capability in the 1980's and 1990's, including naval air, surface and subsurface vehicle and related propulsion and electronics technology, undersea and ocean surveillance, naval warfare target detection, acquisition and weapon technology and training and personnel technology.

The Committee recommends the following changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Environmental applications	7,094	6,345
Ship propulsion system	20,457	25,000
Electric drive	9,767	7,267
Manpower control systems development	3,511	1,805
Education and training	3,496	2,898

Environmental applications.—The reduction of $749,000 will defer initiation of a new project start, future integrated navigation systems and also deny half of the funding increase requested to restore constrained fiscal year 1982 funding levels for the tactical environmental support system project. The Navy should not attempt to recoup self-imposed funding constraints in a subsequent fiscal year.

Ship propulsion systems.—The Committee recommends an addition of $4,543,000 to the ship propulsion systems program to permit additional testing within the RACER development project to reduce the risk in meeting the schedule for the lead DDG–51-class ship. The funds would be used for test equipment and hardware procurement and modification.

Electric drive.—The reduction of $2,500,000 applies against the advanced electric drive project. This is a post-1990 targeted project to develop advanced-design electric drives for Navy ships up to 75,000 horsepower per shaft. This project can be deferred without any disruption in the near-term electric drive effort.

Manpower control systems development.—The Committee recommends against initiating five new project starts not identified last year as being required in fiscal year 1983: military personnel cost projections, recruiting system management, civilian personnel issues, second generation human resources management, and geographic stability.

Education and training.—The Committee recommends against initiating two new project starts not identified last year as being required in fiscal year 1983: Authorizing instructional materials and tactical decision training. Each costs $299,000, comprising the reduction of $598,000.

Authorization reductions.—The Committee has also recommended the following reductions in Navy advanced technology development programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Aircraft systems	3,430	3,000
Advanced A/L ASM system	4,011	
Medical development	8,858	8,384
Man-machine technology	1,365	
Navy technology information system	1,453	1,253
Training device technology	7,399	6,200

STRATEGIC PROGRAMS

The recommended program includes $643,162,000 for strategic programs. This activity provides for all research and development efforts on strategic offensive, defensive, and control systems. Primary emphasis is on development to assure continued viability of sea-based nuclear second strike capability.

The Committee recommends the following changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Navy strategic communications (ECX)	69,314	65,000
Trident I	90,565	74,000
SSBN subsystems technology	4,898	

Navy strategic communications (ECX).—The reduction of $4,314,000 in the Navy strategic communications program is made in accordance with the authorization.

The ECX is proposed to replace the EC–130's now performing the TACAMO mission. This aircraft, a modified 707 transport, was selected from a wide range of alternative commercial and in-production airframes considered to be suitable by the Navy. The ECX will have far superior speed, range, and payload capabilities to current EC–130's, which are reaching the end of their useful service life. The ECX requirement, generated from classified changes made to the TACAMO mission, eliminated an upgraded version of the EC–130 from serious consideration.

Authorization reductions.—The cutback in the Trident I program and elimination of SSBN subsystems technology funding conform to the authorization limits.

TACTICAL PROGRAMS

The recommended program includes $3,525,744,000 for tactical programs. This activity provides for advanced, engineering, and operational systems development efforts on all aspects related to all conflict levels of tactical warfare, with emphasis on sea control, Navy and Marine Corps air operations, Marine Corps amphibious operations, and related combat support. This includes developments to improve the Department of the Navy's capabilities in the combat missions of ocean surface surveillance and targeting, undersea surveillance, antisurface (including interdiction and air defense suppression), antiair (including air superiority), antisubmarine, amphibious and special warfare, and naval mine warfare, plus improved capability in the related support missions of air and surface mobility, logistics/resupply/transfer, personnel support, early warning, communications, command and control, tactical intelligence and reconnaissance, navigation, identification, position locating, traffic control, electronic warfare, physical security and developments related to major multimission naval vehicles.

The Committee recommends the following changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
VTXTS trainer	9,654	8,000
V/STOL aircraft development	6,700	
Imaging infra-red Maverick	4,992	
Common ASW standoff weapon	41,999	38,000
Tomahawk II	19,900	4,900
Amphibious assault craft	10,437	13,437
Shipboard physical security	6,560	6,122
Facilities improvement	5,919	4,913
LINK HAZEL	42,760	16,000
AV-8B aircraft	114,071	133,571
HXM helicopter	9,522	5,000
Enhanced modular signal processor	14,497	10,000
Ship survivability prototypes	4,775	4,385
AN/SQS-536 sonar	35,980	45,980
Unguided conventional air-launched weapons	7,978	6,482
Joint Army/Navy SAL GP/Seafire	995	61,000
Early aircraft warning squadrons	52,291	42,291
Fleet telecommunications	21,140	20,640
JTIDS	100,330	91,330
SUBROC		11,000

VTXTS.—The Committee recommends a reduction of $1,654,000 in the VTXTS trainer program and advises the Navy to review its approach to initial procurement of 50 trainers that are not capable of carrier landings. The Committee action does not affect the long-term program to acquire carrier-capable Hawks as envisioned in the current development contract for those British aircraft.

In mid-summer the Navy gave the Committee an outline of its projected VTXTS cost and acquisition plans. The modified British Aerospace Hawk had been selected last year as the Navy's new advanced trainer. This profile was requested by the authorizing committees, and did not accompany the fiscal year 1983 budget justifications for the VTXTS program sent to Congress. The plan calls for procurement of 50 "dry" Hawks and 251 carrier-capable Hawks at a total cost of $5,500,000,000. The Navy stated in its letter to the Committee that it left open the option to procure additional T-2C's as an interim measure if the Hawk should experience cost/schedule problems during its development.

In the view of the Committee, the economies of buying "dry" Hawks instead of acquiring existing T-2C aircraft are questionable at best. The Navy should continue the carrier-capable Hawk development program, but thoroughy reevaluate its initial acquisition program and consult with the Committee before making any substantial funding commitments.

V/STOL aircraft development.—The Committee recommends against starting a new Navy program, V/STOL aircraft development. This program would modify an A-6 aircraft (new engines, high-lift devices, etc.) to give it an advanced short takeoff and landing (STOL) capability. This is an advanced technology demonstration which may or may not

ever be incorporated into the overall Navy program. The descriptive summary for the program notes that immediate acquisition program commencement would be premature, leading the Committee to believe that the demonstration can be deferred without any major impact on near-term Navy requirements.

Imaging infrared Maverick.—The Committee recommends no new funding for continued test and evaluation of the imaging infrared Maverick launch and control system ofnto an A–6E aircraft. These tests should await a final OSD/Air Force determination as to whether the I²R Maverick should proceed to full production. Continuation of research and development efforts aimed toward Navy aircraft integration now seems premature.

ASW standoff weapon.—The reduction of $3,999,000 applies against the ASW standoff weapon program, as restructured by the Navy last March. Prior to fiscal year 1983, the Navy terminated separate development of vertical launch ASROC and transferred funds to other efforts. After finding the common ASW standoff weapon program was unaffordable, the Navy decided to resurrect vertical launch ASROC and develop only a submarine version of the ASW standoff weapon. The Navy submitted to the Committee a revised budget profile for the ASW standoff weapon which indicates a major slip in the development schedule unless immediate changes are made in the program. The Committee directs the Navy to develop a firm ASW standoff weapon out-year funding profile, to be submitted to the Committee no later than December 15, 1982, before seeking any additional funds.

Tomahawk II.—The reduction of $15,000,000 is made based upon OSD/Navy guidance to terminate the air-launched Tomahawk (Tomahawk II) program. The Navy's rationale for terminating Tomahawk II is that it is redundant of other systems, does not satisfy the Navy requirements for a highly survivable standoff weapon, the costs have been underestimated, and the IOC would now be much later than previously anticipated. The funds provided will cover all termination costs associated with the program.

Amphibious assault craft.—The additional $3,000,000 will be used to test the JEFF (A) amphibious assault craft prototype to examine alternative missions, such as mine countermeasures, missile launch platform, and antisubmarine warfare.

Shipboard physical security.—The reduction of $438,000 would be applied against a new project, personnel protection and survival. The Committee recommends that the project return to exploratory development and that firmer guidelines be established on new protective clothing needs in shipboard environment.

Facilities improvement.—The reduction of $1,006,000 would delete funding for a dredge sedimentation reduction project. Should the Navy feel this is to be a high enough priority to warrant a startup in fiscal year 1983, the Committee will consider a reprograming request to begin testing of active and passive sediment control systems at certain Navy piers.

Link hazel.—The recommended reduction for this classified program is $26,760,000 below the budget request but exceeds the authorization by $15,000,000.

AV–8B.—A reduction of $2,500,000 is made to offset an increase that the Navy made to the AV–8B research and development budget to accommodate an unfavorable variance in the dollar/pound ratio during fiscal year 1981. The Committee recommends that the Navy absorb this reduction, and also work more vigorously to control cost growth.

The Committee recommends initiating the TAV–8B trainer program at this time. The Committee adds $22,000,000 to begin the TAV–8B trainer program.

HXM.—The Committee approves $5,000,000 for the HXM helicopter in fiscal year 1983. This is the helicopter development program line for the Marine Corps, and would be used for systems upgrades as the Marines join the JVX program.

Enhanced modular signal processor.—The Committee recommends a reduction of $4,497,000 to the enhanced modular signal processor program, which goes into full scale engineering development in fiscal year 1983. EMSP is to be the 1990 signal processor on a broad range of Navy platforms. This is an ongoing development program for which specific program milestones really do not apply. Because EMSP will be the building block for a variety of ASW sensor systems, it is potentially a very expensive Navy development program. However, the Navy did not identify costs beyond fiscal year 1984 in its descriptive summary. The Committee recommends EMSP start at a lower level of funding than authorized. The Navy should be more specific in providing estimates as to potential EMSP out-year costs in future budget submissions.

Ship survivability prototypes.—The reduction of $390,000 would defer two new project starts not fully described in the Navy budget summaries—the H.M. & E. system prototype project and the total ship system prototype project. The Committee believes these projects can be deferred without any major impact on the near-term Navy ship survivability program.

AN/SQS–53C sonar.—The additional $10,000,000 would be used toward procurement of the first production model sonar to meet the lead ship of the DDG–510 class. The AN/SQS–53C sonar will also be backfitted into DD–963- and CG–47-class surface ships. The Committee understands that the Navy will request a reprograming to fully fund this sonar in fiscal year 1983 and that the program is fully budgeted for fiscal year 1984 and the outyears.

Unguided conventional air launched weapons.—The reduction of $1,496,000 would defer a new project, the air delivered depth bomb. This new project was not identified as being required for fiscal year 1983 in last year's program. This is identified as a NATO codevelopment program, and the Navy should try to minimize U.S. costs.

Joint Army-Navy semiactive laser guided projectile system/Seafire.—The Committee has added $60,005,000 for the joint Army-Navy semiactive laser guided projectile (SAL GP) and Seafire programs. The fiscal

year 1983 authorization bill makes the obligation and expenditure of funds for the DDG–X destroyer (DDG–51) contingent upon the Navy's submission to Congress of a plan to deploy these systems on the DDG–51 lead ship.

The Committee restates its belief that the Navy/Marine Corps team requires electro-optical fire control of semiactive laser guided projectiles to improve naval surface warfare and amphibious assault capabilities. Laser guided projectiles using electro-optical fire control offer the potential of providing precise munitions employment in conditions of night, adverse weather, and emission control. The Marine Corps Commandant stated the Marines' requirement for these systems in testimony before the Defense Subcommittee this year.

Early aircraft warning squadrons.—The Committee recommends a reduction of $10,000,000 to the early aircraft warning squadrons program. The Navy recommended accelerating funding for this program by $24,000,000 to provide for additional radar detection range and electronic countermeasure improvements within the existing E–2C update program. The E–2C is projected to remain in the fleet through the year 2000 and the Committee believes prescribed radar and ECM upgrades can be phased in over a longer period of time.

Fleet telecommunications.—The reduction of $500,000 would defer the teleprinter replacement program and reduce funds for a communication automation project. The Committee recommends that no reduction be applied against the higher priority radio/antenna and jam resistance projects.

Joint tactical information distribution system (JTIDS).—The recommended reduction of $9,000,000 would slow the acceleration of full scale development planned for the JTIDS program this year. The acceleration was not projected in last year's budget estimate for the fiscal year 1983 program, which increased by $38,200,000.

The recommended program will still permit the Navy to expand full scale development activity and increase E–2C and F–14 integration. While the Navy has stressed JTIDS, the Air Force pushed for the SEEK TALK program, now terminated by the authorization bill. The Committee prefers moderating JTIDS acceleration while the Air Force and Navy reexamine whether the use of two different JTIDS technologies with the accompanying cost and interoperability problems is appropriate.

SUBROC.—The additional $11,000,000 will be used to initiate engineering efforts that would lead to retention of a SUBROC capability on 637-class submarines after Tomahawk capability is installed.

The Committee remains concerned that the Navy has failed to accelerate a suitable developmental replacement for SUBROC. In view of the Navy's actions taken this year on the ASW standoff weapon program, the Committee again asks the Navy to report on the feasibility of implementing a SUBROC life extension improvement program.

Authorization reductions.—The Committee also recommends the following reductions in Navy tactical programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Tilt-fan VSTOL	36,284	
New ship design	4,911	4,411
Surface ASW	4,408	
Ship concept formulation	18,810	15,810
Combat systems architecture	2,786	
Combat systems integration	17,138	8,000
ASW surveillance	1,284	1,000
Avionics development /VAST	8,960	4,000
Helicopter development	26,560	15,300
S-3 weapons system development	78,344	63,000
Adv signal processor	3,525	1,000
SH-60 CV variant	9,868	
Penguin combat development	1,623	
Air-air missile system engineering	23,844	22,844
CIC conversion	27,014	18,414
Submarines	1,950	1,000
Electro-optical sensor development	10,422	
Marine Corps assault vehicles	15,810	2,000
Air warfare training development	20,089	17,000
Submarine warfare training development	3,226	
Tactical electro support	4,005	
Tomahawk cruise missile	18,010	

INTELLIGENCE AND COMMUNICATIONS

The recommended program includes $261,464,000 for intelligence and communications. This activity provides for advanced, full scale engineering development and operational system development efforts in intelligence, worldwide communications systems, and other defensewide mission support, including meteorological activities.

The Committee recommends $134,038,000 for special activities, an increase of $13,658,000. Details are included in the classified annex to this report.

DEFENSEWIDE MISSION SUPPORT

The recommended program includes $601,651,000 for defensewide mission support. This activity provides for efforts directed toward support of installations or operations required for use in general research and development and not allocable to specific missions. Included are technical integration efforts, technical information activities, major test ranges, test facilities and general test instrumentation, target development, international cooperative R. & D., and other R. & D. support.

The Committee recommends the following changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
AUTEC	45,658	43,658
Test/evaluation support	274,106	265,000
Long-range planning support	1,281	
Security/investigative activities	689	

AUTEC.—The Committee recommends a reduction of $2,000,000 for the Navy's Atlantic Underwater Test and Evaluation Center (AUTEC). The Navy increased the budget request for AUTEC by $10,000,000 over the fiscal year 1982 funding level. The Committee believes that a $2,000,000 reduction can be absorbed against increased range operating costs, base maintenance and repair, and acquisition of additional materials and supplies. The reduction should not be applied against increases budgeted for rental payments for the full Bahamian facility.

Test and evaluation support.—The Committee recommends that the Navy test and evaluation support program be reduced by $9,106,000. The Navy has increased funding for its test and evaluation centers by $35,100,000 over fiscal year 1982 to provide for day-to-day operations and maintenance improvements. The Committee directs that the reduction not be applied against planned improvement and modernization of instrumentation systems and equipment systems.

Long-range planning support.—The Committee recommends denial of the budget request of $1,281,000 for long-range planning support. This program is a new R. & D. start said to respond to CNO personal tasking for analyses of long-range naval strategies, goals, concepts, and objectives. The Committee believes a separate program for this purpose is unnecessary and suggests long-range planning and support for the CNO should be funded through an existing Navy studies or support program. The Committee also notes that the Navy had selected only one potential research contractor for this program at the time of submission of the program descriptive summary.

Security/investigative activities.—The Committee recommends no new appropriation for security/investigative activities and questions the need to continue evaluation of field usable cadaver detection techniques. This kind of research can be provided by criminal justice agencies of the Federal Government. The Committee also recommends against development of a new suite of technical countermeasures receivers.

Authorization reductions.—The Committee also recommends the following reductions in Navy defensewide mission support programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Studies and analysis support:		
Marine Corp	2,148	2,000
Navy	7,889	5,000
Civilian education, training, and development	1,157	

GENERAL REDUCTIONS

[In thousands of dollars]

	Budget estimate	Committee recommendation
Consultant services		-9,121

Consultants, studies, and analyses.—The Committee recommends a reduction of $9,121,000 in consulting, studies, and analytical services contracted by the Department of the Navy. No reduction should be applied against essential contract engineering technical services (CETS).

ITEMS OF SPECIAL INTEREST, NAVY

Mine warfare/countermeasures.—The Committee recommends fully funding all Navy mine warfare and mine countermeasures research and development programs. They cover countermeasures technology, undersea warfare weapons technology, airborne mine countermeasures, surface mine countermeasures, and the mine development programs.

The Committee believes that this is an area of naval warfare that has been too restricted by fiscal constraints, partly caused by the Navy's efforts to seek additional funding for more glamorous shipbuilding programs. A prompt improvement in U.S. naval capabilities is essential to conduct basic MCM missions such as port clearance, keeping key choke points open, and supporting fleet operations. In the area of mine laying, the Navy still hesitates at development of an intermediate water depth mine. The Committee hopes United States and NATO mine warfare and countermeasures programs become higher Navy priorities in recognition of Soviet progress.

Mine development.—The Committee agrees with the directive in the Defense Authorization bill providing that an unbudgeted $5,555,000 be made available for developing an intermediate water depth mine.

The Committee has reviewed the final report of the Medium Depth Mine Ad Hoc Team of 1981, and agrees with the conclusion that development of such a mine is within current technical capabilities and would be of relatively low cost risk. The United States currently has shallow and deep mines (Quickstrike and Captor), but no program to develop an intermediate depth mine. The Committee believes this program to be more cost effective and technically feasible than developing a variant of current mines.

S–3 weapon system improvement.—The Committee appropriates $63,000,000 in fiscal year 1983 R.D.T. & E. funding for the Navy's S–3 weapon system improvement program. The authorization bill deleted $15,344,000 from the Navy's request. This program will improve the ASW capability of the S–3 with acoustic upgrades and an advanced radar that can identify surface threats at standoff ranges and provide targeting for the HARPOON antiship missile. The recent war in the Falkland Islands proved the value of this capability. Due to the critical mission capability being added to the S–3, EP–3, and potentially the P–3, by this program, as well as the need to maintain the planned S–3B schedule within existing funding constraints, the Committee recommends that the Navy initiate a reprograming request to restore the funding to the level required.

Navy energy programs (advanced).—The Committee recommends approval of the budget estimate of $21,500,000 for Navy energy programs (advanced). The recommended amount includes funds for a 1-year development effort to determine the potential of using shipboard remote sensing optical diagnostic instrumentation for the safe and efficient operation of naval steam boilers.

Research, Development, Test, and Evaluation, Air Force

1982 appropriation	$8,659,610,000
1983 budget estimate	11,278,200,000
Committee recommendation	10,835,468,000

The Committee recommends an appropriation of $10,835,468,000 for the Air Force's research, development, test and evaluation programs, a reduction of $442,732,000 to the budget request.

[In thousands of dollars]

	Budget estimate	Committee recommendation
Technology base	706,708	689,511
Advanced technology development	472,098	418,868
Strategic programs	4,973,010	4,609,413
Tactical programs	2,218,002	2,255,737
Intelligence and communications	1,476,013	1,415,313
Defensewide mission support	1,432,369	1,446,626

Programs and Activities

The budget activities and programs funded under this appropriation are discussed below. These activities and programs require annual authorization prior to appropriations pursuant to the provisions of section 412(b) of Public Law 86–149, as amended.

TECHNOLOGY BASE

The recommended program includes $689,511,000 for technology base. This activity funds basic research and exploratory development, with the goal of increasing scientific knowledge to maintain U.S. technological superiority, avoid technological surprises and lead to the acquisition of more cost-effective weapons systems.

The Committee recommends the following changes in the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Defense research sciences	165,858	155,000
Aerospace propulsion	58,645	53,000
Personnel utilization	7,194	6,500

Defense research sciences.—The Committee recommends a reduction of $10,858,000 to the Defense research sciences. The Committee directs that the reduction not be applied against the university instrumentation initiative. The reduced program will provide a real growth of more than 8 percent.

ADVANCED TECHNOLOGY DEVELOPMENT

The recommended fiscal year 1982 program includes $418,868,000 for the budget activity, advanced technology development. This budget activity funds alternatives and concepts prior to the engineering development of specific weapons systems. New technological developments are pursued which are not formally identified prior to specific operational requirements. The fiscal year 1982 Air Force program includes funding for aircraft propulsion and electronics technology, very high speed integrated circuits, air warfare detection acquisition and weapon technology, personnel technology, information processing and flight simulator technology, and other related activities.

The Committee recommends the following changes in the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Advanced computers	4,957	3,457
Civil/environmental engineering	6,502	6,102
Command/control/communications	18,295	15,295

Advanced computer technology.—The Committee recommends an appropriation of $3,457,000, and applies the reduction of $1,500,000 to the software link cycle tools project. The Committee received no justification from the Air Force in the fiscal year 1983 descriptive summaries as to why this project has to be initiated this fiscal year.

Civil/environmental engineering technology.—The reduction of $400,000 for civil/environmental engineering technology applies to the recycling Air Force pavements project. If the Air Force has a serious problem repairing and maintaining its runways and taxiways, it should request additional operations and maintenance funds rather than accelerate this marginal project.

Command, control, and communications advanced development.—The reduction of $3,000,000 applies against the tactical air surveillance project. The cost of this project increased threefold over fiscal year 1982, for which the Air Force provided no justification.

Authorization reductions.—The Committee also recommends the following reductions in Army advanced technology development programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Advanced airborne radar development	3,475	.....
Cartographic applications	890	.....
Advanced missile propulsion	894	.....
Space systems environmental interactions technology	1,583	1,000
Space laser program	40,561	.....
Electro-optical warfare	15,927	14,000

STRATEGIC PROGRAMS

The recommended program includes $4,609,413,000 for strategic programs. This budget activity provides for all research and development on Air Force strategic offensive, defensive, and command, communications, and control programs. The development of these systems will provide a survivable land-based intercontinental ballistic missile retaliatory capability, modernization of the strategic bomber force and survivable strategic communications.

The Committee recommends the following changes in the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Space defense systems	211,764	231,764
MX	2,759,332	2,449,332
WWMCCS information systems (WIS)	8,366	5,000

Space defense systems.—The additional $20,000,000 will be used to keep the Air Force space laser program office funded at the same level as fiscal year 1982. These funds are required if the Air Force is to be able to address cost-effectiveness and weaponization issues relating to the use of space-based laser weapons. This recommendation exceeds the specific authorization for the Air Force space defense systems program. The Committee believes that the funds are essential to maintaining a viable Air Force space-based laser weaponization program.

MX missile.—The $310,000,000 reduction in MX research and development, which is $60,000,000 below the authorization ceiling, is allocated as follows:

[In thousands of dollars]

	Budget estimate	Committee recommendation
MX missile R. & D	1,734,332	1,674,332
Interim basing	715,000	
Long-term basing	310,000	775,000
Total	2,759,332	2,449,332

With respect to MX basing, $715,000,000 provided for permanent, long-term basing will not be obligated until the President completes a review of MX basing alternatives and notifies Congress of a long-term basing selection by December. The Committee has also chosen to recommend for appropriation the $60,000,000 left "unfenced" by the authorization bill. No additional funding will be considered until there is a Presidential decision on the long-term basing mode.

The Committee has recommended a general reduction of $60,000,000 to the MX missile R. & D. effort.

As part of its review of the MX system, the Committee seriously considered retaining the Mark 12A warhead for the MX missile. However, without assurance from the Departments of Energy or Defense that a switch from the advanced ballistic reentry vehicle could be accomplished without jeopardizing the late 1986 IOC for the MX missile, the Committee cannot recommend return to the Mark 12A. The Committee suggests that the Department evaluate deployment of the ABRV using its maximum potential yield.

WWMCCS information system.—The Committee reduction of $3,366,000 for WWMCCS information system is recommended to slow the Air Force new start. The program would begin systems design specifications and architectural definition of the WWMCCS information system (WIS). The Committee believes that all system definitions should be completed prior to initiating prototype development

Authorization reductions.—The Committee has also recommended the following reductions in Air Force strategic programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Post-attack reconnaissance	9,919	
Space surveillance technology	40,285	20,285
Tanker transport bomber training system	560	
B–52 squadrons	121,767	90,000
DEW radar stations	7,995	

TACTICAL PROGRAMS

The recommended program includes $2,255,737,000 for tactical programs. This activity provides for advanced, engineering, and operational systems development on all aspects of Air Force tactical warfare efforts. This includes developments to improve Air Force tactical capabilities in

combat missions such as air superiority, interdiction, close air support to land combat forces, suppression of enemy air defenses, airlift, airborne early warning and control, communications, identification, navigation, and electronic warfare.

The Committee recommends the following changes in the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Advanced tactical fighter	27,338	23,000
Electronic warfare technology	18,724	15,350
Engine model derivative program	10,254	64,254
Night precision attack	103,758	100,000
Application for information processing	4,993	4,697
Combat helicopter modernization	32,347	27,347
F–16 squadrons	86,142	66,142
F–4G wild weasel squadrons	21,472	18,000
Tactical airborne command/control system	78,852	63,000
Advanced communications systems	78,210	10,889
Joint tactical communications program (TRI–TAC)	52,875	42,875
C–141 airlift squadrons	1,282	
Operational support airlift	2,557	
C–17 research and development		200,000

Advanced tactical fighter technologies.—The Committee recommends a reduction of $4,338,000 in advanced tactical fighter technologies, in accordance with the authorization. The Committee directs that the full amount requested for the advanced technology engine, $18,700,000, be provided for that effort within this funding allowance.

The Air Force has stated a requirement for a new fighter in the 1990's based upon intelligence estimates that new generation Mikoyan Fulcrum and Sukhoy fighters will severely stress the capabilities of current F–15 and F–16 aircraft. The Committee believes it imperative that engine and aircraft mission analysis be conducted concurrently, because of the need for an early start on propulsion system development.

The Committee understands the leadtime required to develop an advanced technology engine with the characteristics sought by the Air Force makes delay of engine development unacceptable. The advanced technology engine would be expected to reduce life cycle cost by 25 percent, increase thrust-to-weight ratios and improve reliability and maintainability.

The Committee recommends the Air Force use the remaining funds for aircraft systems definition and mission analysis. Aircraft systems definition can be refined in the future to accommodate specific ATF missions. Short take off and landing, stealth, and composite material technology will all be examined within the ATF program.

Electronic warfare development.—The Committee recommends a reduction of $3,374,000 for electronic warfare development. The Committee would defer initiating work on new countermeasure technology.

Engine model derivative program.—The additional $54,000,000 is recommended to develop increased thrust capability for the existing

F–100 fighter engine. The Committee continues to believe higher thrust will be a requirement in the development of improved fighter aircraft and seeks to insure that competition will be maintained. It is not the Committee's intent, however, to delay needlessly a contract award for the alternative fighter engine. The benefits of competition will be lost if program constraints drive up overall costs.

Night precision attack.—The Committee recommends a $3,758,000 reduction in night precision attack technology. The funds provided are to be used only to continue full scale development of the LANTIRN system. The Committee also recommends a general provision that prohibits funding of any competition between the currently approved LANTIRN system and any other infrared night attack system. This action is at variance with the requirement for a competitive demonstration between LANTIRN and the F/A–19 FLIR imposed by the defense authorization bill.

Last year, congressional action limited funds to continue the LANTIRN development program to preclude schedule delays and potential cost increases. Since that time LANTIRN has been on cost and on schedule. The Committee understands the costs of upgrading and integrating the FLIR pod on Air Force aircraft can exceed $100,000,000 and require extensive delays in the Air Force night attack program. Under these circumstances, the Committee believes the additional system competition is unwarranted.

Application for information processing.—The Committee recommends a reduction of $296,000 for application for information processing to be applied against the computer architecture standards project, which is recommended for deferral.

Combat helicopter modernization.—The Committee recommends a $5,000,000 reduction in combat helicopter modernization. This program is designed to develop a derivative of the Army UH–60A Blackhawk helicopter to meet Air Force search, rescue, and special operations mission requirements. The Committee questions the validity of this program, given the Air Force preference for a new rotary wing aircraft to provide these capabilities in the 1990's. The Committee suggests the Air Force slow the development of this program and reevaluate its search, rescue, and special operations requirements in light of the Committee recommendation on the joint services rotary wing program.

F–15E/F–16E.—The Committee has recommended funding the F–15 and F–16 derivative aircraft programs at the fully authorized levels. These funds will permit a comparative flight demonstration of the F–15E and F–16E models that are now in flight testing. The Committee underscores its belief that full scale development of either aircraft should only begin following full examination of costs, systems definition, and potential capabilities of each aircraft.

The Air Force has stated a requirement to procure 400 of these attack derivative fighters. A procurement decision will have to await careful cost and mission analysis even for one derivative aircraft. Certainly, in the Committee's view, the Air Force cannot afford to develop both of these aircraft. The Air Force has too many procurement and develop-

ment programs in process to permit consideration of any dual-development.

The Committee recommends a reduction of $5,000,000 to the F–16 multinational staged improvement program. MSIP costs have steeply escalated compared to those projected in the fiscal year 1982 program. It also recommends a reduction of $5,000,000 to the emergency backup pump system project. The Committee urges the Air Force to take firm management initiatives to curb F–16 MSIP costs. This will reduce the F–16 squadrons program by a total of $20,000,000.

F–4 wild weasel squadrons.—The Committee recommends a reduction of $3,472,000 for F–4G wild weasel squadrons.

The Air Force requested this new program to develop an advanced F–4G wild weasel, a defense suppression aircraft which uses antiradiation missiles to counter surface-to-air missiles and antiaircraft artillery. Previously, F–4 research and development work was done in another program element. The Committee was not given adequate justification for the F–4G modification update program and recommends a reduction to provide a lower level of effort.

Tactical airborne command/control system.—The Committee recommends a reduction of $15,852,000 for tactical airborne command/control system to defer the mission simulator improvement program, other command and control improvements and associated test equipment and depot ground equipment upgrades. These were not projected last year as costs that would be required in fiscal year 1983.

Advanced communications systems.—The Committee recommends a reduction of $67,321,000 for advanced communications systems in conformance with the authorized level. The authorization terminated the SEEK TALK program and provided $10,000,000 to support the Air Force jam resistant tactical communications architecture review. The Air Force is now restructuring SEEK TALK, and it will be one of several alternatives under consideration for possible development pending the results of the Air Force architectural study.

The Committee wishes to insure that future Air Force jam-resistant voice communications have a growth capability against increases in the Soviet ground-based jamming threat. The Air Force is encouraged to consider a modified version of SEEK TALK. This year's congressional action should not be construed as prejudicial to a modified SEEK TALK program.

Joint tactical communications program.—The Committee recommends a $10,000,000 reduction in the joint tactical communications program (TRI–TAC). The TRI–TAC budget request nearly doubled the fiscal year 1982 appropriation, with $20,100,000 added to accelerate the communications nodal and communications systems control projects. The Committee recommends a $5,000,000 reduction be applied against each project.

C–141 airlift squadrons.—The Committee recommends no appropriation for C–141 airlift squadrons, postponing a new program to develop a synthetic training device for air refueling training.

Operational support airlift.—The Committee recommends no appropriation for operational support airlift. This rejects development of a new and separate system to distribute fighter aircraft parts and engines in Europe.

C–17 program.—The Committee recommends an appropriation of $200,000,000 to accelerate development on the C–17 cargo aircraft. This recommendation is in excess of the C–17 authorization.

The Committee recognizes the validity of the Air Force requirement to obtain additional outsize cargo airlift capability. Two airlift hearings and a closed Rapid Deployment Force hearing amply documented that a shortfall exists in this area. There is a role and need for C–5 aircraft, but the Committee believes that it cannot provide the full range of capabilities of the C–17, particularly for rapid deployment missions. The Committee believes that the more appropriate way to redress the outsize airlift shortfall—while at the same time gaining austere field landing and intra-theater capabilities—is to accelerate the C–17, which will be needed sooner or later, even if C–5B's are to be acquired The $200,000,000 provided for the C–17 research and development program is to be spent out at a rate deemed appropriate by the Department of Defense to achieve a 1988 date of initial operating capability.

Authorization reductions.—The Committee recommends the following additional reductions in Air Force tactical programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Aircraft avionics equipment development	21,237	17,137
EW counter response	27,335	22,000
Conventional standoff weapon	38,858	32,500
General reduction		-42,682
Combat identification systems	20,552	19,000
Intelligence equipment	18,469	16,469
F–15 squadrons	125,318	113,018
A–10 squadrons	6,488	5,000
Classified programs	151,221	148,021

INTELLIGENCE AND COMMUNICATIONS

The recommended program includes $1,415,313,000 for intelligence and communications. This activity provides funding for advanced, engineering, and operational systems development efforts in Air Force intelligence and worldwide communications systems.

The Committee recommends the following changes to the budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Special activities	1,186,200	1,126,200
Traffic control/approach/landing system	5,060	4,360

Special activities.—The Committee recommends a reduction of $60,000,000 for Air Force special activities. The rationale for the recommendation is included in the classified annex to the Committee report.

Traffic control and landing systems.—The Committee recommends a reduction of $700,000 in the traffic control and landing system to apply against a new project, advanced military landing system.

DEFENSEWIDE MISSION SUPPORT

The recommended program includes $1,446,626,000 for defensewide mission support. This budget activity funds Air Force installations and operations required for major system testing, test instrumentation development, technical information efforts, target development, and other research and development support.

The Committee recommends the following changes to the budget estimate, in accordance with the authorization:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Space Shuttle	355,629	405,629
Improved capability for D.T. & E	46,478	31,478
Productivity improvement	2,201	
Management headquarters (research and development)	35,341	33,341
Consolidated Space Operations Center (CSOC)	32,116	23,400

Space Shuttle.—The addition of $50,000,000 is provided to permit the Air Force to pay a greater share of the cost of operating the Space Shuttle to the National Aeronautics and Space Administration (NASA). The subcommittee held hearings on the Space Shuttle pricing policy agreement this June, and has concluded that the Air Force is capable of absorbing a greater share of these costs. This increase in the budget request is not authorized.

Improved capability for D.T. & E.—The Committee recommends a reduction of $15,000,000 in improved capability for D.T. & E. (development, test and evaluation). This program provides for major improvements and modernization of Air Force R.D.T. & E. range and test centers. The budget request nearly doubled the fiscal year 1982 program, and the Committee prefers a slower rate of spending growth.

Productivity improvement.—The Committee recommends deferral of a new program, productivity improvement. This is a reduction of $2,201,000 to the budget request. The program is one to acquire an automated document control system and a computer aided design system for the Arnold Engineering Development Center. This is a small 2-year effort, and can clearly be deferred 1 year in favor of funding higher Air Force priority programs.

Management headquarters.—The Committee recommends a reduction of $2,000,000 to the budget request for management headquarters. The Air Force stated in its descriptive summaries that the planned fiscal year 1983 effort would continue support functions for the headquarters, Air Force Systems Command. For the past 2 fiscal years, these support functions have been provided for less than $33,000,000. Without seeing justification for the additional $2,900,000 the Committee believes that management headquarters activities can be conducted at the recommended level.

Consolidated Space Operations Center.—The Committee recommends a reduction of $8,716,000 to the Consolidated Space Operations Center (CSOC). The CSOC budget projection for fiscal year 1983 made last year did not anticipate that these additional funds would be required. The Air Force changed its budget request for CSOC in order to increase front end design and integration planning.

The Committee is concerned that the Air Force may have chosen the wrong computer architecture for CSOC, thereby locking it into a capability that may be outmoded. The Committee would prefer to defer the front end design and integration efforts planned in fiscal year 1983 until the final resolution of the computer issue.

Authorization reductions.—The Committe had recommended the following reductions in Air Force defensewide mission support programs in conformance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Concept development	984	.....
Advanced military spaceflight capability	2,670	.....
Acquisition and command support	269,229	267,000
Advanced systems engineering/planning	5,443	3,500

Items of Special Interest, Air Force

Advanced strategic missile systems.—The advanced strategic missile systems program is the only defense program providing advanced work on future offensive and defensive strategic missile systems, subsystems, and concepts. No similar program exists within the Defense Advanced Research Projects Agency, so ASMS is the focal point for advanced work done in this area. The current ASMS budget profile supports primarily an MX defense penetration aids program, and as the descriptive summary states, permits only "low level efforts" in other advanced technology fields such as maneuvering reentry vehicles, dormant guidance subsystems, defense suppression technologies, advanced penetration aids, and offensive/defensive threat analysis.

The authorizing committees increased funding for ASMS by $10,263,000. The Committee believes that this $60,000,000 authorization is insufficient, and notes that it is $40,000,000 below the fiscal year 1982 program level. The Committee firmly believes that additional funding for ASMS can be efficiently spent, but it has seen no indication from the

Air Force that it is supportive of advanced work in this area. Consequently, it cannot recommend appropriating these additional funds.

The Committee remains critical of the Air Force management of ASMS. The Air Force attempted twice in fiscal year 1982 to reprogram funds from ASMS, and still seems uncertain of its priority. The Committee directs the Air Force to stabilize the program and provide a 5-year ASMS program and spending projection, by project, no later than April 1, 1983. Further, the Air Force should consult with all concerned congressional committees on the allocation of fiscal year 1983 funds. The Committee would be willing to consider an ASMS reprograming or supplemental appropriation if the Air Force precisely outlines how such additional funds would be spent.

Joint conventional standoff weapon program.—The Committee has long been concerned about waste, duplication, and long, drawn-out R. & D. programs that fail to enter into weapons development and procurement programs. The Committee, therefore, welcomes U.S.D.R. & E.'s restructuring of the Air Force's conventional standoff weapon (CSW) program, and the Army's conventional corps support weapon system (CSWS) development project into a single joint Army/Air Force project with an early IOC (1986).

This program is designed to meet an urgent Army/Air Force need for a second echelon interdiction and airfield attack conventional weapon system, and should conform to the emerging military doctrine for air-land battle. In the view of the Committee, this program should involve our NATO partners as a joint codevelopment/coproduction effort.

The administration requested $38,858,000 for the Air Force conventional standoff weapon system. To support the restructured CSW/CSWS program the Committee has appropriated $32,500,000. This appropriation is for the development of a single and joint Army and Air Force missile. It is also understood that the program will make maximum use of the resources already expended in the assault breaker technology demonstration program—including conventional precision guided munitions, surveillance systems, information processing, targeting and engagement systems. The appropriation is further intended to support maximum use of developed common systems, subsystems, and components, including the development and integration of a single weapon for the pave mover and precision location strike system (PLSS) programs.

The Committee also notes that to meet the new program IOC, a restructured and properly funded submunitions program will be necessary and should be submitted to the Congress no later than the President's budget request for fiscal year 1984

Alternative fighter engine.—When the Air Force competes the alternative figher engine the Committee is concerned that the engine may not perform as well as required and may not be as durable as it should be. The taxpayers should not continue to bear the expense of costly repairs and modifications that result from engines that fall short of basic performance and durability requirements. The quality of these engines should be such that the manufacturer must provide a warranty much the same

as an automobile manufacturer does for a car's power train. House Report 97–482 on the fiscal year 1983 Defense Authorization bill expressed similar concern with the performance and durability of the new engine.

In an effort to hold down total costs and be sure the Air Force gets a durable engine that will perform to the specified goal of 3,000 tactical cycles, the Committee recommends specific language in the act that requires the Air Force to obtain a warranty of performance from the successful bidder of the derivative fighter engine. Furthermore, the Department of Defense is directed to secure similar performance and durability warranties in all future military aircraft engine acquisitions to assure a long-term benefit from this congressional initiative.

Fuel cell demonstration.—Within available funds, the Committee directs that $5,000,000 be allocated in fiscal year 1983 to the Aeronautical Systems Division to initiate design, test, evaluation, and preliminary development of a remote site fuel cell powerplant in Alaska. The powerplant should be based on the 40 kilowatt powerplant developed under DOE and Gas Research Institute sponsorship in order to take advantage of previous Federal R. & D. investment. In addition, the development program should make use of operational data that will be provided by the 40 kilowatt field test presently underway.

Military strategic tactical and relay system (MILSTAR).—The Air Force informed the Committee that MILSTAR was underfunded in the fiscal year 1983 budget request by $50,000,000. Without a budget amendment, the Committee is not inclined to recommend any additional funding but would consider a reprograming or supplemental budget request accompanied by adequate justification. The Committee understands the additional funds are required to achieve the earliest possible MILSTAR IOC and insure that EHF appliqué packages could be added to FLTSAT No. 7 and No. 8.

Project Air Force (Rand Corporation).—The Committee has recommended fully funding the budget request for Project Air Force (Rand Corporation). The Committee directs that the funds provided be used for additional Air Force studies and analyses, as well as cost-of-living pay adjustments, rather than for any increase in the staff.

Research, Development, Test, and Evaluation, Defense Agencies

1982 appropriation	$1,692,646,000
1983 budget estimate	2,258,200,000
Committee recommendation	2,152,673,000

The Committee recommends an appropriation of $2,152,673,000 for research, development, test and evaluation programs of the Defense Agencies, a reduction of $105,527,000 to the budget request for fiscal year 1982.

[In thousands of dollars]

	Budget estimate	Committee recommendation
Technology base	1,077,100	1,044,600
Strategic programs	86,100	86,100
Intelligence and communications	1,032,400	953,000
Defensewide mission support	62,600	53,189
Special foreign currency		784

Programs and Activities

The budget activities and programs funded under this appropriation are discussed below. These activities and programs require annual authorization prior to appropriations pursuant to the provisions of section 412(b) of Public Law 86–149, as amended.

The Committee recommends the following changes to the Defense agencies budget estimate:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Strategic technology	151,900	171,900
Particle beam technology	31,000	33,000
Experimental evaluation in major innovative technologies	268,500	253,500
Defense Nuclear Agency	326,600	315,500
General support/policy	4,419	3,589
Technology transfer control unit		2,000
Special foreign currency		784

Strategic technology (space-based laser program).—The Committee recommends the full authorization of $171,900,000 for the DARPA strategic technology program. The authorized addition of $20,000,000 is earmarked for additional research and development on shortwave-length laser technology.

The authorization conference zeroed the budget request of $40,561,000 for the Air Force space laser program, and instead authorized this additional $20,000,000 for shortwave-length laser research. In the view of the Committee, the DARPA Triad program was well structured and provided a sensible balance between the state-of-the-art of current technology and the issue of weaponization. The Committee has added $20,000,000 to the Air Force space defense system program to permit continuation of the laser weaponization program in fiscal year 1983.

Committee investigation of the space-based laser issue in both open and closed hearings this year confirmed that while shortwave-length technology may be technically more efficient than longwave-length technology, it is much less mature and will require an additional investment to bring it up to comparable longwave-length development schedules. The Committee believes that the current laser program inadequately funds the shortwave-length technology effort. Therefore, an addition of $20,000,000 is recommended for the shortwave-length program.

Particle beam technology.—The additional $2,000,000 would permit the initiation of experiments in the field of free electron laser technology at the Advanced Test Accelerator, Lawrence Livermore National Laboratories. These experiments should help determine the feasibility of operating shortwave-length lasers for hundreds of seconds and would help provide key proof-of-principle data on electron beam quality energy conversion and magnetic switching.

Experimental evaluation in innovative technologies.—The Committee recommends a reduction of $15,000,000 to the fiscal year 1983 budget for the program.

In the fiscal year 1982 appropriations conference report, the conferees directed DARPA to provide each committee with "complete plans, schedules, and life cycle costs" for project SORAK, a Korean equipment upgrade. The conferees also directed that the terms of any host nation funding agreements be provided.

These directives have not been met. Furthermore, the Committee has not seen any indication of active Army/Air Force service participation in the program. Therefore the Committee has no alternative but to deny the $10,000,000 budget request. The Committee also recommends a general program reduction of $5,000,000 not to be applied against TRIAD space-based laser projects.

Defense Nuclear Agency.—The Committee recommends a reduction of $11,100,000 from the budget request. Until fiscal year 1982, the budget for the Defense Nuclear Agency barely kept pace with inflation. The Reagan administration undertook a major initiative last year to expand research in nuclear weapons effects, underground nuclear testing, and development of radiation simulation capabilities. The fiscal year 1983 DNA budget request continues this expansion by requesting a budget increase of $66,600,000 above fiscal year 1982 appropriations.

The Committee readily supports the DNA research effort, but believes that some of the enhancements projected for in fiscal year 1983 should be deferred. The Committee recommends that the $11,100,000 reduction be applied against two DNA projects, laboratory radiation simulator development and effects simulation using radiation simulators. The Committee directs that no funds be withdrawn from the joint DOD/DOE augmented underground nuclear test program approved by the President.

General support/policy.—The Committee recommends an appropriation of $3,589,000 for general support/policy. This is a reduction of $830,000 from the budget request. The Committee recommends against funding the following studies: economic and financial vulnerabilities of key LDC's, framework for assessment of naval confidence building measures, and potential security challenges to the United States and its allies in Micronesia, for a total cut of $155,000. The remainder of the reduction should be applied against other continuing and new project studies funded by this program.

Technology transfer control unit.—The Committee recommends an appropriation of $2,000,000 for an unbudgeted item, technology transfer control unit. This program was added by the fiscal year 1983 authoriza-

tion conference to strengthen the role of the Department of Defense in monitoring the transfer of sensitive military technology to Warsaw Pact nations. The expansion of DOD work in this area requires increased staffing and automation of facilities so that the increased workload can be met. The Committee believes that the maintenance of the U.S. leadtime advantage in military critical technologies over the Soviet Union is a key element of our defense strategy, and also believes that the $2,000,000 investment will more than adequately pay for itself if the volume of military critical technology transfers can be decreased by Western nations.

Classified programs, intelligence, and communications.—The Committee recommends an appropriation of $903,430,000 for the classified intelligence and communications programs of the Defense agencies. This is a reduction of $79,400,000 to the budget request. The explanation for this change is found in the classified annex to the Committee report.

Authorization reductions.—The Committee has also recommended the following reductions in Defense Agencies programs, in accordance with the authorization act:

[In thousands of dollars]

	Budget estimate	Committee recommendation
Defense research sciences	112,100	101,000
Technical studies	3,300	1,000
Technical support to USDR/E	16,649	12,000
General support to PA/E	3,712	2,000
General support to net assessment	4,006	3,500
General support for MRA/L	3,014	2,000
Defense Technical Information Center	17,560	16,000
Information analysis centers	5,140	4,000

Director of Test and Evaluation, Defense

1982 appropriation	$53,000,000
1983 budget estimate	60,000,000
Committee recommendation	55,000,000

The recommended program includes $55,000,000 for the activities of the Office of the Director of Test and Evaluation, Defense.

Authorization reductions.—The Committee has recommended reductions in director of test and evaluation, defense programs in conformance with the authorization act:

[In thousands of dollars]

Program	Budget estimate	Committee recommendation
Test and evaluation	48,400	43,400

TITLE VI

Special Foreign Currency Program

1982 appropriation	$3,083,000
1983 budget estimate	3,800,000
Committee recommendation	3,800,000

The new obligational authority recommended in the bill is $323,000 more than the amount provided in fiscal year 1981.

The special foreign currency appropriation provides dollars to be used exclusively for the purchase from the Treasury of excess foreign currencies which are used in the financing of programs of benefit to the Department of Defense. Such expenditures are authorized by 80 Stat. 990.

TITLE VII

GENERAL PROVISIONS

In addition to provisions discussed elsewhere in the report, the Committee recommends the following changes in the general provisions under title VII of the accompanying bill:

Specialty metals.—Revised provisions for defense purchases of specialty metals are recommended to help insure the continuance of a sound domestic industry. The new exception to the "Buy American" provisions of the bill permit purchases of foreign specialty metals when used in foreign-manufactured weapon systems. Protection is reinstated for domestic production, and previous exceptions for chemical warfare protective clothing are maintained. No purchases of specialty metals containing nickel from Cuba are permitted, as before.

Aircraft and equipment leases.—A new provision is recommended to clarify the continuing prohibition against leasing military aircraft and equipment in competition with private enterprise. It insures the prohibition in no way affects authorized and established procedures for the sale of surplus Federal property, including such aircraft and equipment. It is the Committee's intent the aircraft and equipment that are excess to military needs should be made readily available to State and local governments and to the general public.

Reserve and National Guard technicians.—The Committee has deleted the general provision that capped the pay of Reserve and National technicians whose regular and drill compensation exceeded the limits established for regular Federal salaries.

Prevailing rate benefits.—A provision barring prevailing rate employees from certain benefits when being assigned to or from Alaska and Hawaii has been deleted by the Committee's recommendations.

Rapid deployment force.—The Committee recommends a general provision to prohibit funds from being used to establish a unified Southwest Asia command. The Department of Defense had planned to upgrade the rapid deployment joint task force to the status of a unified command with specific responsibility for the Persian Gulf region.

Overseas teachers pay.—The Committee recommends a general provision to link the pay of overseas civilian teachers to that of general schedule (GS) employees.

Special defense acquisition fund.—The Committee recommends denial of a request by the Department of Defense to channel certain revenues from foreign military sales to the Special Defense Acquisition Fund. The Committee recommends these revenues continue to be deposited in the general fund of the U.S. Treasury.

Classified program.—The Committee recommends a general provision to make available $132,000,000 from within the funds appropriated in this bill for a classified program, as authorized by section 109 of Public Law 97-252, the Department of Defense Authorization Act, 1983.

Lobbying.—The Committee recommends a general provision to ban direct or indirect lobbying with Federal funds. This general provision is similar in content to provisions in several other appropriation bills. The prohibition is designed to stop Department of Defense lobbying activities, whether direct or through cooperation with Defense contractors, aimed at influencing congressional action.

Variable housing allowance (VHA).—The Committee recommends a general provision designed to prevent payment of additional benefits making the 4-percent military pay cap inequitable. The language prevents military personnel entitled to VHA from gaining back the 4 percent pay raise reduction under an automatic escalation provided by VHA when the basic allowance for quarters is not increased.

Typewriters.—The Committee recommends a general provision barring the expenditure of funds appropriated by this act for the purchase of typewriters manufactured in facilities located in Warsaw Pact countries. This action is considered beneficial for both security and cost advantages.

Transfer authority.—The Committee has recommended a general provision increasing the limitation on transfer authority available in this act to the Department of Defense to $900,000,000. This is an increase of $150,000,000 over the ceiling of fiscal year 1982 and a reduction of $100,000,000 to the administration request. The Committee believes this increase is more than adequate to meet the unforeseen requirements. It has reduced the requested increase in transfer authority to discourage unnecessary funding shifts and program revisions in the Department.

TITLE VIII

RELATED AGENCIES

Intelligence Community Staff

1982 appropriation	$13,063,000
1983 budget estimate	18,300,000
Committee recommendation	15,400,000

The Committee recommends an appropriation of $15,400,000. This is $2,337,000 above last year's appropriation and $2,900,000 below the budget estimate. Details of this reduction are contained in the classified annex to this report.

Payment to the Central Intelligence Agency Retirement and Disability System Fund

1982 appropriation	$84,600,000
1983 budget estimate	91,300,000
Committee recommendation	91,300,000

The Committee recommends appropriation of $91,300,000 for the payment to the Central Intelligence Agency retirement and disability system fund appropriation. The Committee recommendation concurs with the budget estimate and is an increase of $6,700,000 above the fiscal year 1982 appropriation.

The Central Intelligence Agency Retirement Act of 1964 for Certain Employees (Public Law 88–643, October 3, 1964) authorized the establishment of a Central Intelligence Agency retirement and disability system for a limited number of Agency employees and authorized the establishment and maintenance of a fund from which benefits would be paid to qualified beneficiaries. The fund finances the cost of: (1) interest on the unfunded liability, (2) annuities attributable to credit allowed for military services, (3) benefits not met by employee/employer contributions, and (4) the increase in unfunded liability resulting from liberalized benefits and Federal pay raises.

The benefits structure of this fund is similar to that of the civil service retirement system.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	Senate committee recommendation compared with (+ or −)		
			Committee recommendation	1982 Appropriation	Budget estimate
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I - MILITARY PERSONNEL					
Military personnel, Army	13,978,100,000	14,401,100,000	14,023,827,000	+45,727,000	-377,273,000
Military personnel, Navy	10,248,574,000	10,578,900,000	10,230,678,000	-17,896,000	-348,222,000
Military personnel, Marine Corps	3,120,745,000	3,276,100,000	3,221,394,000	+100,649,000	-54,706,000
Military personnel, Air Force	11,508,772,000	12,031,400,000	11,748,221,000	+239,449,000	-283,179,000
Reserve personnel, Army	1,078,200,000	1,224,800,000	1,224,800,000	+146,600,000	---
Reserve personnel, Navy	375,000,000	641,300,000	641,300,000	+266,300,000	---
(Liquidation of obligations)	(300,000)	---	---	(-300,000)	---
Reserve personnel, Marine Corps	153,600,000	165,900,000	165,900,000	+12,300,000	---
Reserve personnel, Air Force	328,126,000	350,900,000	350,900,000	+22,774,000	---
National Guard personnel, Army	1,466,000,000	1,680,500,000	1,669,200,000	+203,200,000	-11,300,000
National Guard personnel, Air Force	479,900,000	544,600,000	534,100,000	+54,200,000	-10,500,000
Total, title I, new budget (obligational) authority, Military personnel	42,737,017,000	44,895,500,000	43,810,320,000	+1,073,303,000	-1,085,180,000
TITLE II - RETIRED MILITARY PERSONNEL					
Retired pay, Defense	14,986,000,000	16,510,800,000	16,228,800,000	+1,242,800,000	-282,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	Senate committee recommendation compared with (+ or −)		
			Committee recommendation	1982 Appropriation	Budget estimate
(1)	(2)	(3)	(4)	(5)	(6)
TITLE III - OPERATION AND MAINTENANCE					
Operation and maintenance, Army	15,222,197,000	16,826,100,000	15,931,700,000	+709,503,000	-894,400,000
(Transfer from other accounts)	(23,500,000)	---	---	(-23,500,000)	---
Army stock fund	176,300,000	221,138,000	221,138,000	+44,838,000	---
Army conventional ammunition working capital fund	---	1,000,000	---	---	-1,000,000
Operation and maintenance, Navy	19,624,289,000	22,056,800,000	21,043,400,000	+1,419,111,000	-1,013,400,000
(Liquidation of contract authority)	(43,641,000)	---	---	(-43,641,000)	---
(Transfer from other accounts)	(117,400,000)	---	---	(-117,400,000)	---
Navy stock fund	9,435,000	354,372,000	354,372,000	+344,937,000	---
Operation and maintenance, Marine Corps	1,203,040,000	1,481,800,000	1,403,300,000	+200,260,000	-78,500,000
(Transfer from other accounts)	(2,000,000)	---	---	(-2,000,000)	---
Marine Corps stock fund	13,334,000	11,812,000	11,812,000	-1,522,000	---
Operation and maintenance, Air Force	16,189,493,000	17,944,700,000	17,071,200,000	+881,707,000	-873,500,000
(Transfer from other accounts)	(75,726,000)	---	---	(-75,726,000)	---
Air Force stock fund	78,800,000	161,600,000	161,600,000	+82,800,000	---
Operation and maintenance, Defense agencies	5,156,000,000	5,754,900,000	5,665,800,000	+509,800,000	-89,100,000
Defense stock fund	69,000,000	160,500,000	160,500,000	+91,500,000	---
Operation and maintenance, Army Reserve	670,161,000	686,400,000	692,200,000	+22,039,000	+5,800,000

Operation and maintenance, Navy Reserve	574,387,000	653,000,000	662,200,000	+87,813,000	+9,200,000
Operation and maintenance, Marine Corps Reserve	40,444,000	48,415,000	51,115,000	+10,671,000	+2,700,000
Operation and maintenance, Air Force Reserve	679,254,000	766,300,000	766,300,000	+87,046,000	---
Operation and maintenance, Army National Guard	1,109,697,000	1,123,900,000	1,157,800,000	+48,103,000	+33,900,000
Operation and maintenance, Air National Guard	1,671,218,000	1,761,800,000	1,832,600,000	+161,382,000	+70,800,000
National Board for the Promotion of Rifle Practice, Army	861,000	875,000	875,000	+14,000	---
Claims, Defense	155,700,000	172,500,000	172,500,000	+16,800,000	---
Court of Military Appeals, Defense	2,700,000	3,210,000	3,210,000	+510,000	---
Total, title III, Operation and maintenance:					
New budget (obligational) authority	62,646,310,000	70,191,122,000	67,363,622,000	+4,717,312,000	-2,827,500,000
(Transfer from other accounts)	(218,626,000)	---	---	(-218,626,000)	---

TITLE IV - PROCUREMENT

Aircraft procurement, Army	1,911,100,000	2,745,914,000	2,444,522,000	+533,422,000	-301,392,000
Missile procurement, Army	2,131,200,000	2,846,600,000	2,611,600,000	+480,400,000	-235,000,000
Procurement of weapons and tracked combat vehicles, Army	3,825,200,000	5,030,685,000	4,451,016,000	+625,816,000	-579,669,000
(Transfer from other accounts)	---	---	(140,900,000)	(+140,900,000)	(+140,900,000)
Procurement of ammunition, Army	2,381,900,000	2,633,384,000	2,123,694,000	-258,206,000	-509,690,000
Other procurement, Army	3,721,971,000	4,567,491,000	4,207,891,000	+485,920,000	-359,600,000
Aircraft procurement, Navy	9,115,800,000	11,582,300,000	10,650,100,000	+1,534,300,000	-932,200,000
Weapons procurement, Navy	3,207,100,000	3,901,600,000	3,506,300,000	+299,200,000	-395,300,000
Shipbuilding and conversion, Navy	8,821,400,000	18,648,300,000	16,848,800,000	+8,027,400,000	-1,799,500,000
Reappropriation	---	---	176,200,000	+176,200,000	+176,200,000
(Transfer from other accounts)	(117,500,000)	---	(35,000,000)	(-82,500,000)	(+35,000,000)

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	Senate committee recommendation compared with (+ or −)		
			Committee recommendation	1982 Appropriation	Budget estimate
(1)	(2)	(3)	(4)	(5)	(6)
Other procurement, Navy	3,708,777,000	3,970,156,000	3,877,280,000	+168,503,000	-92,876,000
Procurement, Marine Corps	1,711,456,000	2,300,700,000	2,047,855,000	+336,399,000	-252,845,000
Aircraft procurement, Air Force	13,938,998,000	17,751,600,000	17,575,500,000	+3,636,502,000	-176,100,000
(Transfer from other accounts)	(89,700,000)	---	(170,000,000)	(+80,300,000)	(+170,000,000)
Missile procurement, Air Force	4,559,550,000	6,795,900,000	5,904,800,000	+1,345,250,000	-891,100,000
Other procurement, Air Force	5,385,333,000	5,839,200,000	5,556,437,000	+171,104,000	-282,763,000
(Transfer from other accounts)	(800,000)	---	---	(-800,000)	---
Reserve & National Guard	50,000,000	---	200,000,000	+150,000,000	+200,000,000
Procurement, Defense agencies	518,000,000	879,284,000	830,884,000	+312,884,000	-48,400,000
Total, title IV, Procurement:					
New budget (obligational) authority	64,987,785,000	89,493,114,000	83,012,879,000	+18,025,094,000	-6,480,235,000
(Transfer from other accounts)	(208,000,000)	---	(345,900,000)	(+137,900,000)	(+345,900,000)

TITLE V - RESEARCH, DEVELOPMENT, TEST, AND EVALUATION					
Research, development, test, and evaluation, Army.....	3,609,535,000	4,484,000,000	3,820,690,000	+211,155,000	-663,310,000
Research, development, test, and evaluation, Navy.....	5,844,357,000	6,232,300,000	6,013,153,000	+168,796,000	-219,147,000
Research, development, test, and evaluation, Air Force	8,659,610,000	11,278,200,000	10,835,468,000	+2,175,858,000	-442,732,000
Research, development, test, and evaluation, Defense agencies.....	1,692,646,000	2,258,200,000	2,152,673,000	+460,027,000	-105,527,000
Director of Test and Evaluation, Defense.....	53,000,000	60,000,000	55,000,000	+2,000,000	-5,000,000
Total, title V, new budget (obligational) authority, Research, development, test, and evaluation.....	19,859,148,000	24,312,700,000	22,876,984,000	+3,017,836,000	-1,435,716,000
TITLE VI - SPECIAL FOREIGN CURRENCY PROGRAM					
Special foreign currency program.....	3,083,000	3,800,000	3,800,000	+717,000	---
TITLE VII - GENERAL PROVISIONS					
(Additional transfer authority, sec. 733).....	(750,000,000)	(1,000,000,000)	(800,000,000)	(+50,000,000)	(-200,000,000)
TITLE VIII - RELATED AGENCIES					
Intelligence Community Staff.....	13,695,000	---	15,400,000	+1,705,000	+15,400,000
CIA Retirement and Disability System Fund.....	84,600,000	91,300,000	91,300,000	+6,700,000	---
Total, title VIII, new budget (obligational) authority, Related agencies.....	98,295,000	91,300,000	106,700,000	+8,405,000	+15,400,000

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item	1982 Appropriation	Budget estimate	Senate committee recommendation compared with (+ or −)		
			Committee recommendation	1982 Appropriation	Budget estimate
(1)	(2)	(3)	(4)	(5)	(6)
RECAPITULATION					
Title I - Military personnel	42,737,017,000	44,895,500,000	43,810,320,000	+1,073,303,000	-1,085,180,000
Title II - Retired military personnel	14,986,000,000	16,510,800,000	16,228,800,000	+1,242,800,000	-282,000,000
Title III - Operation and maintenance	62,646,310,000	70,191,122,000	67,363,622,000	+4,717,312,000	-2,827,500,000
(Transfer from other accounts)	(218,626,000)	---	---	(-218,626,000)	---
Title IV - Procurement	64,987,785,000	89,493,114,000	83,012,879,000	+18,025,094,000	-6,480,235,000
(Transfer from other accounts)	(208,000,000)	---	(345,900,000)	(+137,900,000)	(+345,900,000)
Title V - Research, development, test, and evaluation	19,859,148,000	24,312,700,000	22,876,984,000	+3,017,836,000	-1,435,716,000
Title VI - Special foreign currency program	3,083,000	3,800,000	3,800,000	+717,000	---
Title VII - General provisions (additional transfer authority, sec. 733)	(750,000,000)	(1,000,000,000)	(800,000,000)	(+50,000,000)	(-200,000,000)
Title VIII - Related agencies	98,295,000	91,300,000	106,700,000	+8,405,000	+15,400,000
Total, Department of Defense (NOA)	205,317,638,000	245,498,336,000	233,403,105,000	+28,085,467,000	-12,095,231,000
(Transfer from other accounts)	(426,626,000)	---	(345,900,000)	(-80,726,000)	(+345,900,000)
Total funding available	205,744,264,000	245,498,336,000	233,749,005,000	+28,004,741,000	-11,749,331,000
(Transfer authority)	(750,000,000)	(1,000,000,000)	(800,000,000)	(+50,000,000)	(-200,000,000)

Distribution by organizational component:					
Army	51,332,422,000	58,473,887,000	54,780,953,000	+3,448,531,000	-3,692,934,000
(Transfer from other accounts)	(23,500,000)	---	(140,900,000)	(+117,400,000)	(+140,900,000)
Navy	67,771,738,000	85,903,755,000	80,905,159,000	+13,133,421,000	-4,998,596,000
(Transfer from other accounts)	(236,900,000)	---	(35,000,000)	(-201,900,000)	(+35,000,000)
Air Force	63,479,054,000	75,226,200,000	72,337,126,000	+8,858,072,000	-2,889,074,000
(Transfer from other accounts)	(166,226,000)	---	(170,000,000)	(+3,774,000)	(+170,000,000)
Defense agencies/OSD	7,650,129,000	9,292,394,000	9,044,367,000	+1,394,238,000	-248,027,000
Retired military personnel	14,986,000,000	16,510,800,000	16,228,800,000	+1,242,800,000	-282,000,000
Related agencies	98,295,000	91,300,000	106,700,000	+8,405,000	+15,400,000
Total, Department of Defense (NOA)	205,317,638,000	245,498,336,000	233,403,105,000	+28,085,467,000	-12,095,231,000
(Transfer from other accounts)	(426,626,000)	---	(345,900,000)	(-80,726,000)	(+345,900,000)
Total funding available	205,744,264,000	245,498,336,000	233,749,005,000	+28,004,741,000	-11,749,331,000
(Transfer authority)	(750,000,000)	(1,000,000,000)	(800,000,000)	(+50,000,000)	(-200,000,000)